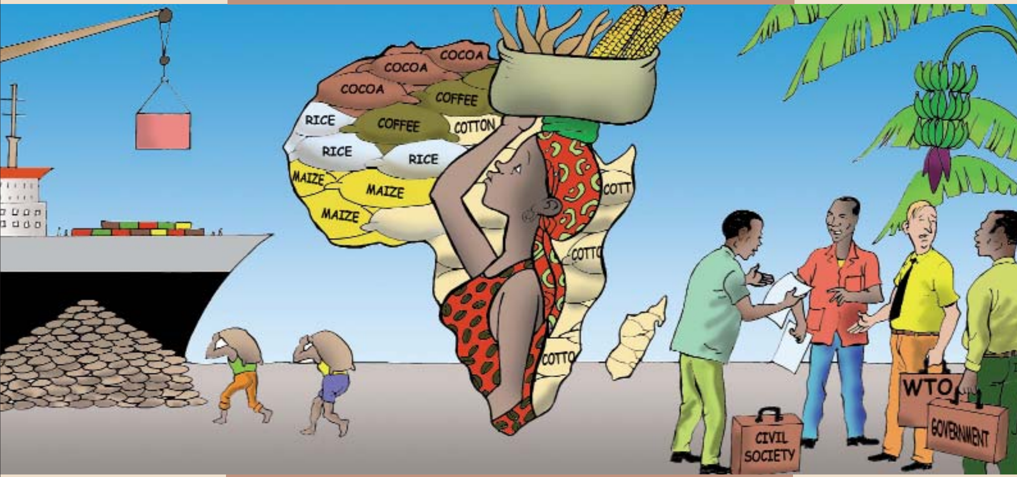
PRACTICAL HANDBOOK



Agriculture and the WTO in Africa: Understand to Act

A collective work
coordinated by Marie-Christine Lebret
and Arlène Alpha (GRET)

ÉDITIONS DU GRET

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The work is illustrated with caricatures by Faustin Titi, Pat Masioni, Bring de Bang, Pahé, and Élisé Ranarivelo.

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Contents

Acronyms and Abbreviations

ACA	African Cotton Association
ACP	Africa, Caribbean and Pacific
AGOA	African Growth Opportunity Act
AIPO	African Intellectual Property Organisation
AoA	Agreement on Agriculture
ATN	Africa Trade Network
CAEMC	Central African Economic and Monetary Community
CAP	Common Agricultural Policy
CBD	Convention on Biological Diversity
CET	Common External Tariff
CFA franc	African Financial Community Franc
CFA	African Financial Community
CITES Convention	Convention on International Trade in Endangered Species of Wild Fauna and Flora
COMESA	Common Market for Eastern and Southern Africa
CONGAD	Conseil des organisations non gouvernementales d'appui au développement
COPAGEN	Coalition for the Protection of African Genetic Heritage
CPF	Farmers' Confederation of Burkina Faso
CSO	Civil Society Organisation
CTD	Committee on Trade and Development
DSB	Dispute Settlement Body
EALA	East African Legislative Assembly
ECOWAP	ECOWAS Agricultural Policy
ECOWAS	Economic Community of West African States
EPA	Economic Partnership Agreement
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FO	Farmers' and Producers' Organisation

FPA	Fisheries Partnership Agreement
FSC	Forest Stewardship Council
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GMO	Genetically Modified Organism
ICAC	International Cotton Advisory Committee
IMF	International Monetary Fund
IPRs	Intellectual Property Rights
LDC	Least Developed Country
MFI	Microfinance Institution
MFN	Most Favoured Nation
MRA	Market Regulation Agency
MRL	Maximum Residue Limit
NAFTA	North America Free Trade Agreement
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
PVC	Plant Variety Certificate
RECAO	Network of West African Chambers of Agriculture
REPAOC	Réseau des Plates-formes d'ONG d'Afrique de l'Ouest et du Centre
ROPPA	Réseau des organisations paysannes et de producteurs de l'Afrique de l'Ouest
SADC	Southern African Development Community
SAP	Structural Adjustment Programme
SDT	Special and Differential Treatment
SPS	Sanitary and Phytosanitary Measures
TBT	Technical Barriers to Trade
TPRB	Trade Policy Review Body
TPRM	Trade Policy Review Mechanism
TRIPS	Trade-Related Aspects of Intellectual Property Rights
TWN	Third World Network
UPOV	International Union for the Protection of New Varieties of Plants
WAEMU	West African Economic and Monetary Union
WHO	World Health Organization
WTO	World Trade Organisation

Notice

For ease of reading, even though this work focuses exclusively on sub-Saharan Africa, the term “Africa” and its various forms are often used. Readers should understand these terms to refer to sub-Saharan Africa alone, as Northern African countries are not covered in this work except where explicitly mentioned.

In this work, only the World Trade Organisation (WTO) Agreements that have a direct connection to agriculture are discussed. The WTO is not, however, limited to the agreements discussed in this text. The WTO deals with all trade and covers a wide field of negotiations to which our work does not refer. We invite readers interested in the WTO’s full field of action to visit the organisation’s Internet site at www.wto.org.

The CD-ROM included with the book contains the text of the book in digital format. It cannot be sold separately from the book.

This document does not necessarily reflect the official position of the CTA, the French Ministry of Agriculture and Fishing or the French Ministry of Foreign and European Affairs. The opinions expressed in this text are those of its authors.

Foreword

Quotas, AoA, intellectual property, SPS Agreement, tariffication, blue, amber or green box… These and many other expressions and acronyms describe today's trade rules, procedures, disciplines and laws. To this already complex terminology, one must add the specific jargon of the sectors of traded goods (agriculture, stock farming, forestry, fishery, etc.), the geographic dimension, law, theory, and finally practice. This generates many obstacles to good understanding of the stakes and consequences of agricultural policy choices in sub-Saharan African countries.

A product of the Conseil des organisations non gouvernementales d'appui au développement (CONGAD), a Senegalese association, the purpose of this publication is to provide basic elements to understand how international trade institutions and agreements operate. Organised around descriptive and factual texts, this work contains many definitions and is illustrated by concrete experiences. Its aim is to provide those in charge of civil society organisations in sub-Saharan Africa with tools and references to better understand the stakes behind and means for their participation in international trade.

Searching for instruments to mobilise and support actors' understanding of this important subject, CONGAD contacted GRET in early 2006 to produce pedagogical factsheets on Africa and the WTO. Two years later, thanks to the support of the CTA, the French Ministry of Foreign and European Affairs, and the French Ministry of Agriculture and Fishing, this publication has finally been born. The result of a collective writing process, it involved citizens of more than eleven African nations (Kenya, Uganda, Senegal, Burkina Faso, Mali, Congo, the Democratic Republic of Congo, Guinea, Côte d'Ivoire, Gabon, Madagascar), twelve African civil society associations (CONGAD, CERAPE, ACORD, SEATINI, FONGS, SPONG, the Forum social sénégalais, FECONG, CNCR, the National Platform of Nigerien NGOs, the Union maraîchère de Niayes, the Forum of Guinean NGOs), nine authors, fifteen pilot readers, and five caricaturists.

We are proud to have been part of this collective work in which the commitment and vitality of its participants confirm the importance that African civil society grants to international agricultural trade issues.

Bénédicte Hermelin

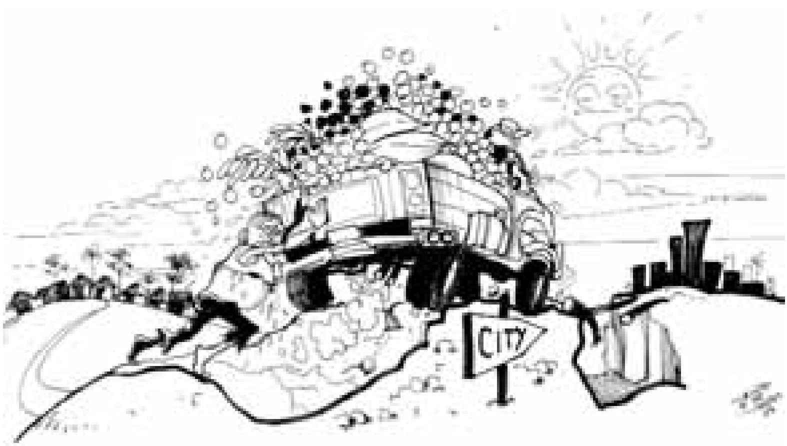
Created in 1982, the Conseil des organisations non gouvernementales d'appui au développement (CONGAD) brings together 161 national, foreign and international NGOs in Senegal. The council's vocation is to develop consultation and exchange between NGOs and defend their interests; promote inter-NGO solidarity in support of grassroots communities; and mobilise NGOs in their fields of concern and around their needs in particular, and those of civil society in general.

Today, it forms a framework for social, political, economic and cultural dialogue for French, American, Italian, pan-African and Senegalese NGOs. CONGAD is in charge of technical animation for the Réseau des plates-formes nationales d'ONG d'Afrique de l'Ouest et du Centre (REPAOC) for two years. REPAOC addresses regional and international stakes. It carries shared demands to national, regional and international institutions, notably in regard to the WTO and agricultural trade, a subject for which CONGAD is head manager.

Agriculture in Africa: Stakes and Public Policies

Agriculture in Africa employs the vast majority of the labour force, and is the primary wealth-generating activity in most countries.

The vital role of agriculture in African development is now acknowledged, but African agricultural policies are not yet a match for the weight of agriculture and its stakes.



Agriculture Gross Domestic Product in Africa

- agriculture GDP > 50% of the GDP
- 30% < agriculture GDP < 50%
- 10% < agriculture GDP < 30%
- agriculture GDP < 10%
- no data

Source: World Bank, World Development Indicators, 2006

AGRICULTURE IN SUB-SAHARAN AFRICA: A SNAPSHOT

In Africa, agriculture—which includes, in its broad sense, cultivation as well as food processing, livestock farming, fisheries, and forest exploitation—is a crucial sector in many ways. It is the primary activity of more than 60% of the population in Africa. It is the backbone of the African economy as it accounts for more than 30% of the national wealth measured through the Gross Domestic Product (GDP) in many sub-Saharan African countries.

The agricultural sector's weight can vary considerably from one country to another; thus, if a country's economy is petroleum-based, the agricultural sector's share of the GDP is lower. Nevertheless, it remains relatively high in all African countries in comparison to other developing countries, and even higher in comparison to developed countries.

Agriculture is also of paramount importance in terms of export earnings because agricultural products are the main export products of most African countries.

The Importance of Agriculture in Africa and in Other Regions of the World

	Share of the Active Population Involved in Agriculture (2004)	**Agricultural Exports as Share of Total Exports** (2002-2004)
Sub-Saharan Africa	**60%**	**12.4%**
Latin America and the Caribbean	18%	18%
Asia and the Pacific	58%	5.1%
Developed Market Economies	3%	7.2%

Source: FAO, State of Food and Agriculture, 2006

A Majority of Small Farmers

The vast majority of farmers are subsistence farmers working on small family farms. More than 96% of farmers in sub-Saharan Africa farm less than 5 hectares. In Tanzania for instance, small holder farmers cultivate less than 3 hectares each.

For most farmers, agriculture means growing staple food crops for their own subsistence and generating income, supplemented by processing products and by other non-agricultural activities. Selling and food processing is usually done by women. However, the difficulties they encounter producing sufficient quantities to meet their food needs and generate surplus for sale are considerable and make farmers vulnerable to the slightest shock.

Weak Agricultural Performances

The strong growth of Africa's agricultural production (2.6% annual growth between 1996 and 2005, compared to 0.9% in developed countries) has, however, lagged behind demographic growth. Because of this, Africa is the only region in the world where average food production per person has fallen over the past 40 years (-0.2% from 1996 to 2005), putting numerous populations at risk of food insecurity. This situation varies from one country to the next.

This drop in per capita food production can in part be attributed to insufficient investments in this sector and to the rudimentary techniques used by most small-scale farmers. In Tanzania, for example, approximately 70% of crops are still cultivated by hand with a hoe.

Disadvantageous Marketing Conditions

African producers usually face major obstacles in marketing their products, both nationally and internationally. Inadequate rural infrastructures (for example, storage facilities and roads) complicate the movement of goods from one area of a country to another, which contribute to higher prices for local products. The weak organisation in the value-chains for many agricultural products is in part related to farmers' organisations' weaknesses when it comes to organisation and their ability to negotiate with traders and middle men. National producers' find themselves at a disadvantage when negotiating fair prices for their goods. In addition, the banking system favours imports over local investment in productive systems. Finally, imported products, which are often cheaper, compete heavily with local products.

Exports Limited to Commodities

The main agricultural exports from African countries are commodities with little value added. These raw products generate less export earnings than processed products.

Not only are African exports specialised in commodities, but they are also concentrated on a very limited number of products. This lack of diversification makes them highly vulnerable to any external shocks (e.g. natural disasters that destroy crops, sharp drops in world prices, etc.). The fall of most commodities prices during the last decade, in addition to their strong volatility on world markets, affects many African countries. Their export earnings are dropping and their imports are increasing, which brings about a deterioration in the terms of trade.

Deterioration in the Terms of Trade

The terms of trade deteriorate when, for the same quantity of exports, a country's capacity to import goods falls in comparison to the previous period: the purchasing power of export revenues drops.

Marginalisation in International Trade

For 30 years, Africa's agricultural imports have increased faster than its exports, making the continent a net agricultural importer since 1980.

World commodity prices went down at that time, and European and American subsidised products flooded the international market, considerably lessening African producers' capacity to compete, and reducing the share of the commodity market held by African countries. In 1980 Africa held 6% of world trade; by 2002, this share had dropped to 2%.

An additional 1% share of world trade would boost Africa's economy considerably, bringing in more than three times what Africa currently receives in aid.

While Africa's share of international trade is falling, inter-African trade has increased over the past ten years, revealing the potential of regional markets in Africa.

Persistent Food Insecurity

One of the main challenges that African agriculture will have to address in the coming decades is its ability to feed a constantly growing population. Experience has shown that African agriculture has been able to keep pace, to a certain extent, with remarkable demographic growth. However, food insecurity remains persistent in many countries, as does the dependence on food aid and, increasingly, on food imports. This proves that food production alone is not enough to ensure food security.

> ***Food Security***
>
> *Food security is attained when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life.*

Despite the commitment made at the World Food Summit in 1996 by the world's heads of state to halve the number of people suffering from hunger, 10 years later in 2006, little progress has been seen. For those African countries that did record a decline in the number of people suffering from food insecurity, the decline is attributed to a considerable expansion of agricultural production.

The existing reserves of arable lands provide a great potential to be exploited, but their use runs the risk of increasing pressure on natural resources, especially water.

The increasingly competitive international environment due to globalisation is also a structural trend that African countries will have to consider in their future decisions and actions.

AGRICULTURAL POLICIES: OBJECTIVES AND TOOLS

To meet the challenges and face up to the constraints evoked above, elaborating and implementing agricultural policies are the primary tools for most African countries that do not export oil.

Over the last few decades in sub-Saharan Africa, agricultural policies have been totally neglected and other sectors have been given priority: the share of overall expenditure devoted to agricultural spending fell from 6.3% in 1990/91 to 4.6% at the end of the decade. In 1998, the average share of agriculture in total government spending was 5% in Africa, compared to 10% in Asia.

In addition, one can see a disengagement by the State from agricultural sector regulation, as part of a more general trend towards economic liberalisation and market opening. Since the colonial period, African agriculture had been predominantly market and export oriented; this trend intensified in the 1980s with the establishment of structural adjustment programmes (SAPs).

Structural Adjustment Programmes

At the end of the 1970s, in response to a serious economic crisis, the International Monetary Fund (IMF) and the World Bank (supported by the industrialised countries) imposed “structural adjustment programmes” on most African countries. Large loans were granted to countries that committed, in exchange, to re-establishing the fundamental balances in their economies by implementing structural adjustment programmes (SAPs).

SAPs pursued a liberal agenda, which meant reducing the financing of public expenditures (including social spending), “trimming down” civil service, and opening the productive sectors of industry and agriculture to international competition by eliminating customs barriers and setting up a privatisation policy.

Stabilisation measures targeted monetary policy (devaluation, raising interest rates, etc.) and budgetary policy (reducing public services, privatisation).

The current crisis in agriculture can be attributed in part to states’ insufficient involvement in regulating the sector, the poor functioning of state institutions, a lack of appropriate policies, and the imbalance in world trade.

Today, agriculture seems once again to be seen as a priority sector and motor for development. As such, it requires ambitious agricultural policies. Reforms in agriculture can be vectors for reducing poverty and food insecurity. Thus, the commitments made by African governments in 2003, and reiterated in 2006, to increase their agricultural budget to 10%, and bilateral institutions' promises to scale up their development aid for agriculture seem to be indications of the recognition of agriculture's importance, despite the slow pace at which these reforms are being implemented.

What is an Agricultural Policy?

Agricultural policies are a set of public intervention measures relating to domestic agriculture, imports of foreign agricultural products, and exports. They set specific goals for the various areas of the sector such as the organisation of domestic agricultural product markets, food security, agricultural employment, geographic distribution of activities, etc.

In other words, an agricultural policy is the definition of a specific outcome and the implementation of a combination of instruments to attain that outcome.

Cécile Broutin

potato harvest in Guinea

How to Elaborate an Agricultural Policy

Elaborating an agricultural policy consists primarily of making strategic and operational choices.

Defining strategic orientations implies identifying the priority fields of action, which crops to encourage, which imports are problematic, etc. To do so, one must take into account current production constraints (notably agro-ecologic constraints) as well as projections on the evolution of these constraints and on the challenges to face (demographic growth, for example). For this, the quality of statistic services is crucial.

Strategic choices result, also and above all, from a process of negotiation between the various parties involved in agriculture (administrations, territorial governments, producers' organisations, non-governmental organisations, private operators, and donors). The challenge is finding compromises among sometimes contradictory social demands and interests, which must ideally be accepted by all and work in the collective interest.

These strategic choices are then broken down into actions in each of the chosen fields. If an agricultural policy is to be truly operational, it is important to establish a hierarchy of priorities, and define concrete measures, intervention modalities and implementation bodies (each actor's roles and responsibilities)—something that the multiple documents (plans, programmes, etc.) that set the framework for action do not often do. Budgetary decisions must also make it possible to establish a long-term plan for the necessary means to implement the actions.

Taking into account regional, bilateral and WTO commitments is an important step when defining an agricultural policy. One must ensure that the policy complies with commitments and multilateral rules. But, these rules are not permanently set, they are constantly negotiated. It therefore seems wise to define the national orientation first before taking into account external constraints, and thereby give priority to national interests.

When elaborating an agricultural policy, it is essential to consult agriculture professionals and civil society as a whole at each stage of the process. This makes it possible to ensure that the policy will be accepted and taken into account by the actors, and that it meets their needs; it is a guarantee of effectiveness. The more actors are organised and able to make themselves heard and defend their interests, the more efficient the consultation process will be. Time is, therefore, a crucial part of elaborating a concerted agricultural policy.

The objectives of agricultural policies are vast:

- ensure the availability, sustainability, safety and quality of food;
- guarantee supply levels and price stability for agricultural goods;
- preserve sustainable use of land and other environmental resources; and
- take into account social aspects.

Priority has often been given to export earnings and imports to ensure food security. This is still the case in some net food importing countries, such as Kenya. Other countries have made different choices and set different objectives. For example, some agricultural policies, such as the Economic Community of West African States' 2005 regional agricultural policy, have included the objectives of (i) reducing dependency on food imports by fostering local food production; and (ii) promoting the fair economic and commercial integration of farms in global markets.

Civil Society's Participation in Elaborating the Economic Community of West African States' Agricultural Policy (ECOWAP)

ECOWAS' regional agricultural policy, ECOWAP, is an example of an jointly elaborated agricultural policy.

In 2001, the process of elaborating the ECOWAP was launched. A regional committee was formed and included a panel of countries and regional actor networks such as the Network of Farmers' and Agricultural Producers' Organisations of West Africa (ROPPA). This committee, dubbed a regional "task force", brought together the primary actors concerned: farmers' organisations, regional organisations, and development partners.

The ECOWAP elaboration process was based on negotiation and consultation among decision-makers and actors. A set of consultations was undertaken in each ECOWAS country. Everywhere, two- to three-day workshops allowed all the concerned actors to discuss the major orientations to be followed.

ROPPA and the Network of West African Chambers of Agriculture (RECAO) received specific support to help them conduct their own internal consultations before they compared their points of view with those of states and the other agricultural development actors. The results of these workshops were the subject of a regional

(cont.)

synthesis that covered the countries' concerns and major lines of discussion.

The result is a truly negotiated compromise covering the vision, objectives and priorities shared by countries and actors. The regional stakes and shared and diverging interests were correctly identified for the countries and/or actors, and a small number of scenarios were formulated and then submitted to the various actors.

What are Agricultural Policy Instruments?

There is a very wide range of instruments that governments can use to achieve their agriculture objectives. Some of these instruments have been contested within the WTO. These instruments must generally be combined to obtain the desired impact. In this way, one can see that agricultural policies that aim to develop domestic production are more efficient when these policies are paired with restrictions on domestic market access for foreign agricultural product imports. Experience has also shown that protection measures are not generally effective if they are not paired with appropriate domestic support measures.

Another illustration of this is the interdependency of farming and non-farming activities in rural areas: parallel implementation of both of these types of activities is often necessary to provide employment and non-farm incomes for non-farm rural households.

Tariff and Non-Tariff Import Barriers

An agricultural policy goes hand-in-hand with a trade policy or, at the very least, agricultural policy choices must be reflected in trade policy to ensure consistency between the two. In order to preserve and develop national or regional production, a government—or a regional organisation—can erect trade barriers to limit the quantity of agricultural goods imported. This is called an import quota. These quotas can be applied seasonally during the marketing period for local products.

Import Quotas

An import quota is a quantity generally imposed by the state to limit imports of specific products.

The same government can also establish customs tariffs that aim to increase the domestic price of imported products: these are called **customs duties**.

> ***Customs Duties***
>
> *Customs duties are taxes levied on imported goods when they enter the country. These duties can be lump sums or a percentage of the price.*

Both these barriers act in favour of domestic producers.

In 1998, Kenya saw an influx of cheap imported powdered milk. In response to the losses to local milk producers and to lessen the dependency of a formerly self-sufficient country when it came to milk, the government decided to double customs duties (from 30% to 60%). When the higher customs duty was established in 2001, production shot back up and the domestic milk sector regained its health.

Import quotas were used in 2005 by Cameroon in the poultry sector when the government set the maximum amount of poultry to be imported at 5,000 tons from September 2004 to March 2005. This measure was coupled with the establishment of high taxes on imported chicken. This had very positive effects on local production capacity, which rose sharply.

The price band system (with price floors and price ceilings) is a mechanism that allows for variable customs duties on the imports of specific agricultural products. When the price of imported products falls within the price band, the customs duty is a fixed sum. If they exceed the price ceiling, customs duties vary and are lower than those of the band. Below the band, the customs duties vary as well, but are higher. In other words, the higher the price of the imported product, the lower the customs duty; and the lower the price of the imported product, the higher the customs duty.

Income Support to Farmers

Governments may contribute to providing farmers with a guaranteed minimum income through the payment of direct assistance. This type of support can target specific less-favoured areas or be allocated based on compliance with certain conditions such as the use of environmentally-friendly practices. This minimum guaranteed income is costly for the budgets of states that do not have the means to provide it and remains rare in Africa.

More indirectly, governments support agricultural incomes with different instruments: aid programmes to encourage agricultural and rural development, aid to reform and restructure agriculture, health control.

Another way for governments to support farming incomes is to support insurance mechanisms for natural disasters, parasitic epidemics or falls in market prices.

Market Organisation

Governments can also intervene on prices and regulate the market. Marketing boards aim to ensure price stabilisation by providing farmers with guaranteed purchase prices.

Public bodies can also intervene directly on markets by implementing storage policies: stocks are used to maintain market prices at a given level, a price floor, in order to encourage local production. Price ceilings may also be set to encourage consumption.

Rural Infrastructures

Infrastructure is a crucial instrument in agricultural policy. The accessibility of rural areas allows farmers to be linked to markets, and stimulates productivity, the sale of products and rural employment. The weakness and unsuitableness of rural infrastructures are a major impediment to the competitiveness of African agriculture on both domestic and international markets. It is crucial to improve, develop and maintain rural roads and provide basic infrastructures to foster private sector investment in food marketing, storage and processing.

Public (totally or in part) infrastructures may include irrigation schemes, access to water, and energy.

Agricultural Services, Research, Training

Agricultural policies can also help facilitate access to information and communication: improvements in livelihoods and food security through on-farm investments depend on small-scale farmers having access to relevant knowledge. To ensure such access, effective knowledge generation and dissemination using, in particular, systems that strengthen the links between farmers, agricultural educators, researchers, extension workers and communicators are important.

This refers equally to measures that can be implemented in the field of research to improve sustainable agricultural techniques, and to agricultural extension and training to improve farmers' basic levels of knowledge.

Measures targeting credit, input supply, productive basin development (for example, irrigation schemes) are another crucial part of agricultural policy. Inputs, especially improved seeds, can be subsidised or even freely distributed.

Support for Farmers' Organisations

Specific assistance can be given to encourage farmers to organise themselves and strengthen existing farmers' organisations. This assistance can also be aimed at export-oriented organisations, via support for improving the quality and the promotion of agricultural products (labelling for instance).

> ***Labels***
>
> *Labels are an official sign of quality attesting to a significant advantage provided by the product to the consumer. They can guarantee the quality or origin of a product, and are generally validated by expert tests.*

Food Safety Regulations

Guaranteeing food safety and quality is an important part of agricultural policy. However, investing to achieve the capacity to ensure high standards, both in quality and storage, is costly and slow. These standards are important not only for local consumption but also in order to meet importing countries' criteria and thereby facilitate access to foreign markets. Health and safety regulations also protect citizens from imports that do not meet standards and that are not appropriate for consumption (food) or pose threats to the environment. Investing in food safety and quality also implies better prevention of epizooties and crop pests.

Preservation of Environmental Sustainability

Most of the natural resources around the world, including agricultural resources (land and water), are non-renewable. In promoting and increasing productivity, agricultural policies must also ensure that this is not done at the expense of the sustainability of these resources. Agricultural policies can provide efficient natural resource management systems. Support can also be given to farmers through regulations that help them implement long-term, albeit costly, investments that are environmentally sound.

Land and water management policies can ensure access and rights to these resources, and promote sustainable resource management practices.

Agricultural Policy in Uganda

A national vision for the agricultural sector exists in Uganda: have a profitable, competitive, sustainable and dynamic agricultural and agro-industrial sector by 2017. However, as in many African countries, the government faces difficulties in making this vision operational. The government of Uganda's budget for agriculture is very small: 3% in 2003/04, 4% in 2004/05, and a projected 4.4% in 2013/14.

The government's role in agriculture has been drastically reduced under the International Monetary Fund's and the World Bank's structural adjustment policies. Because of this, the sector is run through a succession of programmes and plans, in the absence of a real national agricultural policy.

In 2000, the government of Uganda launched the Plan for Modernization of Agriculture (PMA). The objective of this policy framework is to speed up the process of transforming the economy and eradicating poverty by making the transition from subsistence to commercial farming. The PMA Steering Committee includes a number of NGOs and oversees the implementation of the Plan.

Seven priority areas have been identified for action under the PMA. They are a good illustration of the principal components that make up an agricultural policy:

1. national agricultural advisory and extension services,
2. agricultural research and technology development,
3. agricultural education,
4. agriculture financing,
5. agro-processing and marketing,
6. sustainable natural resource utilisation and management, and
7. road infrastructures.

KEY POINTS

- *In sub-Saharan Africa, agriculture occupies 60% of Africans and is the primary source of wealth for numerous countries.*
- *It is characterised by the presence of a majority of small farmers and by poor agricultural performance, in part linked to the low level of investment in the sector and rudimentary techniques.*
- *The sub-Saharan agricultural product trade is marked by unfavourable marketing conditions, by limitations on the export of primary products, and by its near absence on the international scale (2% in 2006).*
- *Today, agriculture is seen as a motor for development in sub-Saharan Africa. It requires the implementation of agricultural policies, which have until now been neglected.*
- *Agricultural policies set strategic objectives, translate them into specific results, and define the range of public interventions necessary to attain these results.*
- *Implementing consultation among those involved throughout the process of elaborating an agricultural policy makes it possible to set shared objectives and fosters adhesion to the policy by actors.*
- *The instruments available are diverse: implementing import barriers, subsidising prices or producers, financing rural infrastructures, research services and training, establishing health and safety regulations, and setting environmental preservation rules.*

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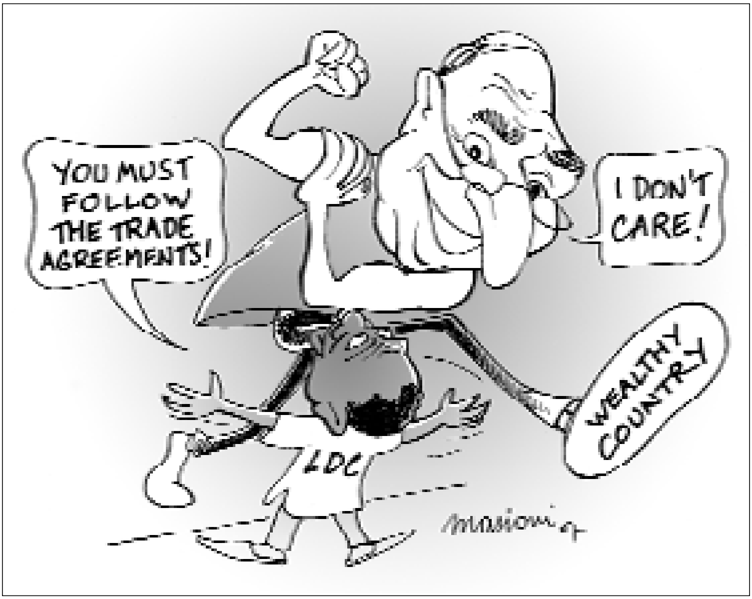
The World Trade Organisation

In 2007, the World Trade Organisation (WTO) encompassed 150 countries, including 37 countries in sub-Saharan Africa. The WTO sets rules for public policies, the international trade in goods and services, and the protection of intellectual property rights.

An arena for decisions that seeks to be democratic, it is also an arena in which countries with different socioeconomic weights and policies, as well as diverging interests, confront each other.



A SHORT HISTORY OF THE WTO

The impetus to form a world trade regime has its roots in the economic situation created by the 20th century's two World Wars and the problems they created for both the vanquishing and vanquished countries.

The ravages of World War I put a heavy burden on European economies that adopted a closed attitude and erected high tariffs and other trade barriers aimed at protecting their respective economies. The UK, which had been a leading champion of free trade prior to World War I, abandoned this policy and opted to encourage trade within the pound sterling zone. The United States, another advocate for free trade, adopted the same protective attitude. The negative consequence of this approach soon became apparent, however. Countries realised that the high tariffs imposed by other countries limited trade.

The need to liberalise trade and establish multilateral disciplines for the conduct of world trade was further increased by the ravages of World War II. Many countries saw the expansion of international trade as an important tool for growth, development, and reconstruction. Developing reciprocal relations among nations through trade was also seen as the best way to guarantee world peace.

In 1947, the United Nations Economic and Social Council convened the Havana Conference on International Trade and Employment. The Havana Charter envisaged the establishment of an International Trade Organisation (ITO), whose objective would be to cover international trade issues—customs duties and other disciplines on import and export—as well as other important areas like employment, economic development, hindrances to free trade, and commodity issues.

The Havana Charter therefore provided for the formation of a multilateral body that would be to world trade what the recently-created World Bank and International Monetary Fund were to finance.

The international trade chapter of the Charter was taken out and converted into the General Agreement on Tariffs and Trade (GATT), which was signed on 30 October 1947, and came into force on 1 January 1948.

The General Agreement on Tariffs and Trade

The General Agreement on Tariffs and Trade was not a full fledged international organisation; at the time, it was only an agreement between the contracting states. The main concern of the GATT was to lower customs tariffs in various countries to facilitate the trade in goods. The GATT therefore provided a framework for negotiations on customs tariffs. It was strengthened and supplemented through several rounds of multilateral trade negotiations which culminated in the Uruguay Round Agreement (1986-1994). The number of signing countries grew progressively, and came to include more and more developing countries.

More specifically, the Uruguay Round resulted in a comprehensive set of agreements in the areas of goods, services and intellectual property rights. With the signature of the Marrakech Agreement (Morocco, April 1994), it also created a new international organisation—the WTO—to oversee these agreements.

At the start of 1995, the GATT, which had traditionally dealt with the trade in goods, was absorbed into the WTO, whose fields of action became much wider and covered goods (including agricultural products), services and intellectual property. The organisation also provided a dispute settlement mechanism that offered a framework for the enforcement of rights and obligations in all these areas.


Anne Wagner

Hong Kong Ministerial Conference (China, 2005)

A Chronology of Trade Negotiation Rounds

Name	Duration	Participating Countries	Areas Addressed
Geneva	1947	23	creation of GATT, customs duties
Annecy	1949	33	customs duties
Torquay	1950-51	38	customs duties
Geneva	1956	26	customs duties
Dillon Round	1960-62	26	customs duties
Kennedy Round	1964-67	62	customs duties and anti-dumping measures
Tokyo Round	1973-79	102	customs duties, non-tariff measures and anti-dumping measures
Uruguay Round	1986-94	123	customs duties, non-tariff measures, agriculture, services, intellectual property rights, textiles, disputes, trade preferences for developing countries, establishment of the WTO
entry into force of the WTO – 1995			
Doha Round	2001-...	150	agriculture, services, intellectual property, anti-dumping measures, subsidies, regional trade agreements, disputes, least developed countries, special and differential treatment, commodities, electronic trade

Source: WTO

Under the principle of the Single Undertaking (called the "Agreement" in the rest of this booklet) adopted at the end of the Uruguay Round, in 1994, the members agreed to be bound by all WTO Agreements except for the two plurilateral agreements in the areas of civil aircraft and government procurement. These last two agreements are only applicable to those members that have accepted them.

The WTO Agreements

1. Multilateral Agreements on Trade in Goods with the following components:

   The General Agreement on Tariffs and Trade, covering goods (the 1994 GATT)

   The following 12 agreements in the area of goods:

   i. Agreement on Agriculture
   ii. Agreement on Sanitary and Phytosanitary Measures (SPS)
   iii. Agreement on Textiles and Clothing
   iv. Agreement on Technical Barriers to Trade (TBT)
   v. Agreement on Trade-Related Investment Measures
   vi. Agreement on Implementation of Article VI of the 1994 GATT (Anti-Dumping Measures)
   vii. Agreement on Implementation of Article VII of the 1994 GATT (Customs Valuation)
   viii. Agreement on Pre-Shipment Inspection
   ix. Agreement on Rules of Origin
   x. Agreement on Import Licensing
   xi. Agreement on Subsidies and Countervailing Measures
   xii. Agreement on Safeguards

2. The General Agreement on Trade in Services (GATS)
3. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)
4. The Trade Policy Review Mechanism
5. The Understanding on the Settlement of Disputes
6. Plurilateral agreements in two sectors: Civil Aircraft and Government Procurement

N.B.: The agreements (i) to (v) are called the Multilateral Trade Agreements.

The Agreements on Agriculture, SPS and TBT, and IPR are presented respectively in factsheets 3, 5 and 6 of this book.

WHY A WORLD TRADE ORGANISATION?

Objectives and Principles

The WTO has set objectives for itself that target growth and poverty reduction, with particular attention to developing countries. More specifically, the parties to the Agreement recognise that the multilateral trading system must make it possible to raise standards of living, ensure full employment, ensure a large and steadily growing volume of real income and effective demand, and increase production and the trade in goods and services through optimal use of the world's resources in accordance with the objective of sustainable development.

The Agreement also recognises the need for "positive efforts to ensure that developing countries, especially the least-developed among them, secure a share in the growth in international trade commensurate with their economic development".

The WTO's general philosophy is that these objectives must be attained by moving towards free trade—that is to say by substantially reducing tariffs and other barriers to trade and eliminating discriminatory treatment in international trade relations (a WTO member has to treat all its trading partners equally).

To facilitate trade, all WTO members must respect fundamental principles, among which:

1. The Most-Favoured-Nation (MFN) clause, which refers to non-discrimination between members whereby the trade concessions given by one member to another must be extended to all members. Thus, a country that grants lower tariffs to a specific WTO member country must grant the same tariffs to all other members.

   There are exceptions to the MFN clause. For instance, the MFN clause does not apply when countries grant each other mutual trade concessions in the framework of free trade agreements. The Generalised System of Preferences (GSP) is also an exception to the MFN clause. This allows developed countries to apply lower tariffs to imports from developing countries than those applied to imports from other trade partners. The GSP, when it is in place, must be extended to all developing countries, or to all least developed countries (LDCs).

2. **The national treatment clause,** which refers to non-discrimination between domestic and imported products: a foreign company or product must receive the same treatment as domestic companies and products in a member country.
3. **The reciprocity principle:** this principle means that each country commits to granting trade advantages that are equivalent to those granted to it by a partner country. This is an obligation in the framework of free trade agreements in particular. One should note that the GSP is also an exception to this principle because developing countries and LDCs that benefit from the GSP are not obliged to grant equivalent concessions to the countries with which they trade.

Special Treatment for Developing Countries

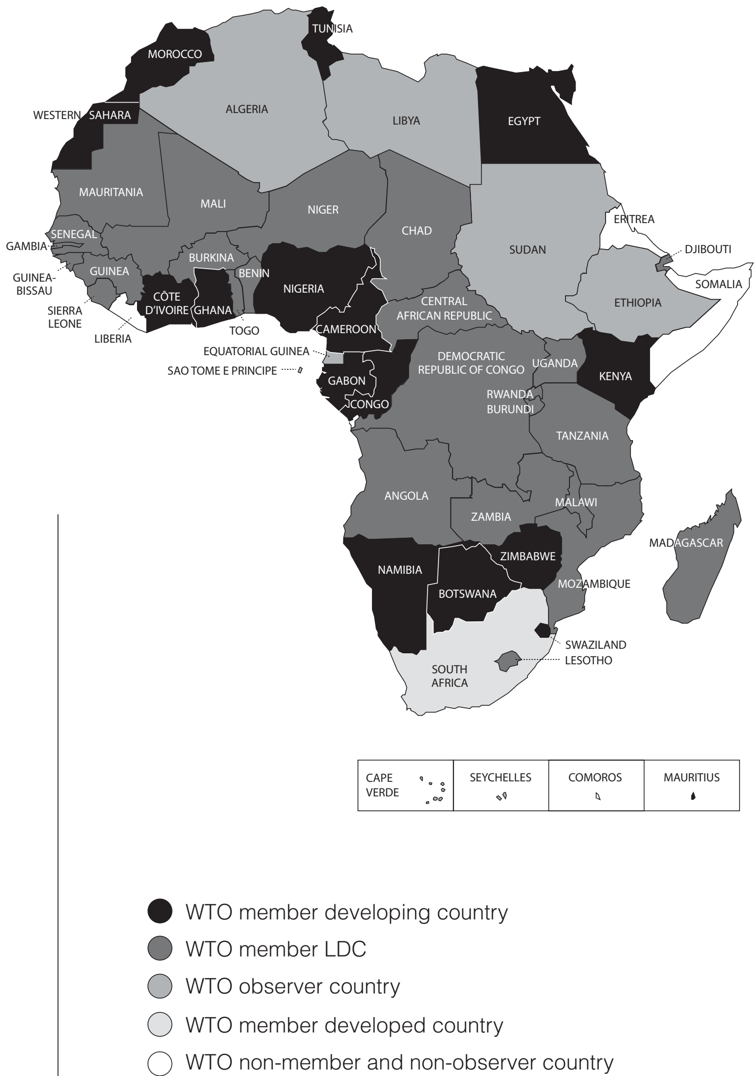
In most agreements, developing countries receive more favourable treatment than developed countries: special and differential treatment (SDT). SDT consists of various provisions, including longer transition periods for the implementation of Agreements, lowered obligations, and even exemptions. LDCs, for their part, have no reduction obligations.

LDCs and Developing Countries at the WTO

As most African countries are LDCs and a smaller number are developing countries, they receive special and differential treatment, as do all LDCs and developing countries.

The WTO acknowledges as LDCs those countries that have been thus designated by the United Nations. To date, thirty-two LDCs have joined the WTO, twenty-four of which are sub-Saharan African countries. However, the WTO has not defined the notions of developed country or developing country. At the WTO, developing countries designate themselves as such, although this designation is not automatically accepted in all WTO bodies.

WTO Status of African Countries



Source: WTO

WHAT DOES THE WTO DO?

The WTO has five functions:

1. administer the implementation of trade agreements among its members;
2. provide a forum for future trade negotiations;
3. administer trade dispute settlement;
4. review its members' trade policies; and
5. cooperate with the Bretton Woods institutions (IMF and World Bank).

Bretton Woods

Bretton Woods is a city in the United States where the economic agreements that established the basis for the international financial system after the Second World War were signed in 1944. The purpose of these agreements was to lay the foundations of the world monetary policy and foster the reconstruction and economic development of the countries affected by the war.

The Dispute Settlement Body (DSB) is, in a way, the WTO's police force. Dispute settlement is central because it makes it possible to ensure the enforcement of rights and obligations. It must also provide the multilateral trading system with security and predictability.

The dispute settlement process has been defined, and provisions against obstructing the DSB's decisions exist. However, remedy measures against an "offending" member are not very effective when the appealing member is economically weak. These measures are also very costly and their effectiveness depends largely on will of the members to abide by them.

The WTO's system of rights and obligations is also reinforced through the Trade Policy Review Mechanism (TPRM). The TPRM monitors the WTO members' trade policies and thereby aims to enhance their transparency and understanding. There are three review cycles:

1. every two years for the four largest trading entities (the United States, the European Union (EU), Japan, and Canada);
2. every four years for the sixteen next-largest countries;
3. and every six years for the other Members.

There are provisions for a longer interval for least developed countries.

The Effectiveness of the Dispute Settlement Mechanism: the Case of Costa Rica vs. the United States in the Textile Sector (1995)

In March 1995, the United States claimed that its domestic underwear industry was being seriously damaged—or threatened with actual damage—by imported cotton and man-made fibre underwear from Costa Rica and six other countries. After failing to reach an agreement with Costa Rica, Honduras, Thailand and Turkey, the United States unilaterally introduced restrictions on the importation of cotton and man-made fibre underwear starting in March 1995.

Costa Rica believed that the United States was attempting to maintain control of a vertically integrated industry by requiring countries to use US fabric in garments intended for the US market. In order to avoid "bearing the burden of testing the system alone", Costa Rica attempted to forge alliances with other countries. The Central American Countries facing similar issues feared the potential double consequences of losing a dispute settlement case and/or losing access to the US market. Although Turkey, Pakistan and India acknowledged that they faced similar issues, they did not believe that they could forge the domestic coalitions necessary to bring a dispute before the WTO.

Costa Rica alleged that these restrictions were in violation of the Agreement on Textiles and Clothing. On 22 December 1995, Costa Rica began the dispute settlement process with the support of its president, a former Minister of Trade himself. Costa Rica used its Trade Ministry's legal team to elaborate its dossier because it felt that the case was straight forward and because the costs of retaining outside legal counsel were very high.

The case was the first in which a small developing country initiated a dispute against the United States. Many observers viewed confronting the US as a risky strategy not only for Costa Rica but also for the dispute settlement process in general. Unwillingness by the United States to abide by such a ruling could undermine the credibility of the entire process.

Costa Rica prevailed in both the dispute settlement process and the subsequent legal appeal. The measures which had been the subject of the dispute expired in March 1997 and were not renewed.

The dispute settlement mechanism exists, but it is expensive to utilise. Only when a country is reasonably certain of success will it risk using this system, and even then it is often obliged to hire the services of external expert lawyers.

HOW DOES THE WTO FUNCTION?

A Very Dense Structure

In order to fully appreciate how the WTO functions, it is important to understand this organisation' structure and the role that the various bodies that constitute it play. Two large bodies, the Ministerial Conference and the General Council, preside over a set of committees, councils and working groups. All WTO members may participate in all these arenas, except Appellate Body, the Dispute Settlement Body (DSB), the Textiles Monitoring Body, and plurilateral committees.

The Ministerial Conference

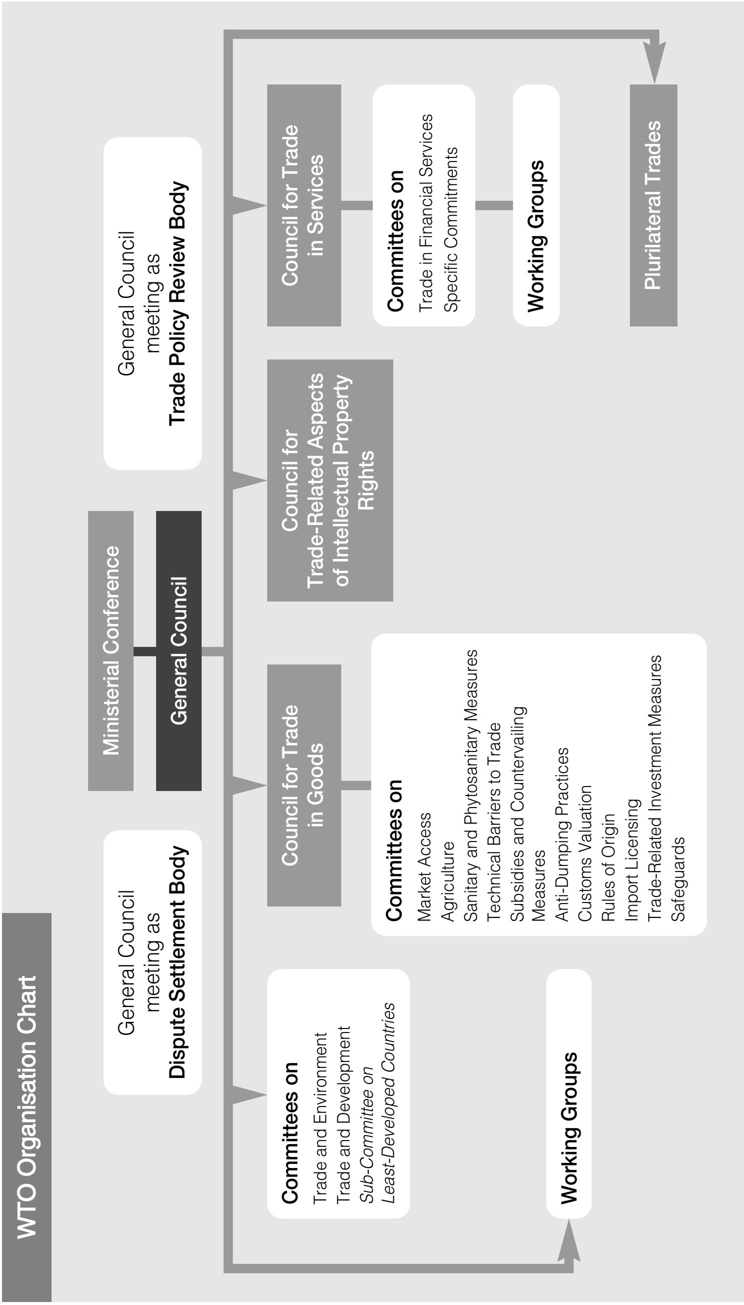
The Ministerial Conference is the highest authority in the WTO. It is composed of the representatives of all the member governments; and it meets at least once every two years. It may make decisions on all matters pertaining to all multilateral trade agreements.

The Various Ministerial Conferences and the Doha Round

Since the WTO was created on 1 January 1995, six Ministerial Conferences have been held: the Singapore Conference (1996), the Geneva Conference (1998), the Seattle Conference (1999), the Doha Conference (2001), the Cancun Conference (2003), and the Hong Kong Conference (2005).

The Seattle and Cancun Conferences were marked by failure in that the member countries were unable to reach and agreement and issue a joint declaration. Seattle was supposed to launch a new round of negotiations but, failing this, the Conference was a turning point in WTO operations: for the first time, developing countries imposed themselves as major players in the negotiations and sharply criticised the way in which the negotiations were conducted, which excluded them. Seattle also saw the emergence of social and associative antiglobalisation movements.

After Seattle, new negotiations nevertheless began based on the programme defined in 1994 (in the Marrakech Agreement). It was at the following Conference, in Doha in 2001, that a new round of *(cont.)*



Source: www.wto.org

negotiations, called the development round, was launched. This round was supposed to end at the end of 2005, but the negotiations are still underway in 2007. The Doha Ministerial Declaration, which makes up what is now called the "Doha Agenda" notably indicates that special and differential treatment (SDT) must be granted to developing countries in all pillars of the negotiations.

In Cancun, developing countries, and African countries in particular, were once again the source of blocked negotiations when they refused a compromise they deemed unacceptable on the subject of cotton. They also refused the "Singapore Issues" (so called in reference to the first Conference held in 1996 in Singapore) dealing with investment, competition, transparency of public procurement, and trade facilitation.

In July 2004, during a General Council meeting and again during the Hong Kong Conference in December 2005, SDT application modalities were specified.

The General Council

The General Council constitutes the second tier in the WTO hierarchy. It is composed of representatives of the governments of all member countries (ambassadors or permanent representatives based in Geneva). It meets approximately once a month to adopt decisions. The General Council also meets as:

- the Trade Policy Review Body (TPRB) to analyse trade policies, and
- the Dispute Settlement Body (DSB) to supervise implementation of dispute settlement procedures.

The Review of Congo's Trade Policy

An Interview with Dr Félix Mouko, Professor of Economics at the University Marien Ngouabi in Brazzaville

Could you give us a brief description of the review of Congo's trade policy that took place in September 2006 in Geneva?

The Congolese delegation included several members representing the public administration, the private sector, and civil society. *(cont.)*

The Congo dossier contained two reports:

- the WTO Secretariat's report, and
- the government of Congo's report.

The WTO Secretariat's report was written based on legal texts and practices analysed by WTO experts during two field visits to Congo in October 2005 and July 2006. The Congolese government's report described the difficulties facing the country following the war in June 1997. It then discussed Congo's enormous, but barely exploited, economic potential. Finally, it presented the reforms underway in various sectors of activity. Following the presentation, the WTO members praised the efforts made by Congo that had managed to solidify a trade policy in a post-civil war economic context. They did, however, note insufficiencies regarding the scope of economic liberalisation measures, the poor mobilisation of sectoral policy implementation means, departures from WTO rules, and the weak political commitment by government authorities.

What agriculture-related issues were addressed during this review?

It was noted that the agricultural sector was facing serious difficulties that pushed the country to import large quantities of foodstuffs. The sector contributes only little to the GDP. The high cost of agricultural commodities was a constraint on processing local agricultural products and, therefore, a hindrance to the development of manufacturing. Finally, the problem of deficient agricultural infrastructures was raised. On this subject, Japan proposed aid.

In what way is a review of trade policy of interest for farmers?

The trade policy review is of interest for farmers for several reasons. It allows them to:

- be informed of measures that directly affect agricultural production;
- be informed of measures that directly affect the sale of agricultural products and, thereby, market access; and
- receive help improving the production and sale of products.

For all these reasons, it is in farmers' interest to provide themselves with well-structured organisations so that their representatives can attend trade negotiations and defend their interests.

The Councils

There are three councils which correspond to the three major fields of commercial trade:

1. the Council for Trade in Goods,

2. the Council for Trade in Services, and
3. the Council for Trade-Related Aspects of Intellectual Property Rights.

These Councils, which are composed of representatives of all WTO Members, oversee the functioning of the respective WTO agreements and are supervised by the General Council.

The three Councils also have subsidiary bodies which deal with specific subjects. For example, the Goods Council has eleven committees working on specific subjects (agriculture, market access, subsidies, anti-dumping measures, etc.). The Services Council's subsidiary bodies deal with financial services, domestic regulations, GATS rules, and specific commitments. These committees are composed of representatives of all WTO member countries.

Several other bodies that focus on specific issues, committees, and working groups report to the General Council. There are five other Committees in addition to those under the three Councils. The Committee on Trade and Development (CTD) notably reviews the implementation of the special provisions for developing countries. These committees are composed of representatives of all WTO member countries.

The Secretariat

The WTO Secretariat is relatively small and has limited power and autonomy. Its headquarters are based in Geneva, Switzerland. The secretariat is headed by the Director-General, who is elected for a period of four years by the General Council. At this time, a Frenchman, Mr Pascal Lamy, is the WTO's fifth Director-General. He was nominated on 1 September 2005 for a four-year term of office.

An Officially Democratic Mode of Governance

The WTO is undoubtedly the most democratic of all intergovernmental organisations with a global mandate. Its system of governance is based on the "one country, one vote" principle.

Decision making is by consensus—that is to say when no member present at a meeting where a decision is made formally objects to the proposed decision. Consensus allows all members to ensure their interests are properly considered even though, on occasion, they may decide to join a consensus in the overall interests of the multilateral trading system. When consensus is not possible, the WTO agreement allows for voting, and the decision is then made based on the majority of votes cast, with each member having one vote.

In practice, decisions are generally made by consensus, without voting. WTO informal consultations in small groups play a vital role in bringing the very diverse membership to an agreement. Matters are usually brought to a formal open meeting only after an agreement has been reached in prior informal discussions.

WHAT PLACE DOES AFRICA HAVE?

As one can see in the short history of the WTO above, it was primarily conceived by and for developed countries. Few African countries signed the GATT in 1948—notably because of the date of their independence—or were active in the Uruguay Round (1986-1993) that preceded the creation of the WTO. Today, African countries represent a non-negligible force in number, but they still weigh little on the reality of WTO decisions and struggle to participate fully in the WTO. The real and active participation of African countries is still a major challenge. Without this, African countries run the risk of seeing inadequate multilateral rules for public policy elaboration imposed and of seeing their concerns excluded from the negotiation agenda.

Africa Under-Represented in Geneva

The WTO's structure—with its numerous arenas for negotiation, the frequency of meetings, and the large number of technical dossiers to follow simultaneously—requires countries to have a strong presence at WTO headquarters, as well as specialised expertise on the subjects of the dossiers and on negotiating techniques. Most member countries have a diplomatic outpost in Geneva, sometimes directed by an ambassador specially accredited with the WTO. The members of these outposts attend the meetings of the numerous councils, committees, working groups and negotiation groups held at WTO headquarters. But having this presence in Geneva, which means being represented

Accession of African Countries to WTO		
1995	1 January	Côte d'Ivoire, Gabon, Ghana, Kenya, Mauritius, Namibia, Nigeria, Senegal, South Africa, Swaziland, Tanzania, Uganda, Zambia
	5 March	Zimbabwe
	31 May	Botswana, Central African Republic, Guinea-Bissau, Lesotho, Malawi, Mali, Togo
	3 June	Burkina Faso
	23 July	Burundi, Sierra Leone
	26 August	Mozambique
	25 October	Guinea
	17 November	Madagascar
	13 December	Cameroon
1996	22 February	Benin
	22 May	Rwanda
	19 October	Chad
	23 October	Gambia
	23 November	Angola
	13 December	Niger
1997	1 January	Democratic Republic of Congo
	27 March	Congo
2007 ...	> > >	Accession in progress for: Cape Verde, Ethiopia, São Tomé e Príncipe, Sudan.

by an ambassador and permanent civil servants, carries a significant cost, which weighs heavily in state budgets, especially for African countries.

African Countries Without Delegations in Geneva

Out of thirty-seven sub-Saharan African countries, seven member countries do not have permanent representation in Geneva: Gambia, Guinea-Bissau, Malawi, Niger, the Central African Republic, Sierra Leone and Togo. For those that do, the representation generally consists of one or two people. The largest representations (South Africa, Kenya and Mauritius) have more, but their numbers top out at five or six people working for Ministries of Trade and Foreign Affairs.

In comparison, the United States' representation in Geneva consists of approximately fifteen people, all of whom work for the Ministry of Trade alone. It must be emphasised that the African countries' delegations in Geneva also cover subjects other than trade and represent their countries in other international organisations based in Geneva. These people can hardly participate fully in all of the WTO's council, committee and working group meetings. The WTO organises "Geneva Weeks" for member and soon-to-be member countries that do not have permanent representation in Geneva in order to increase these countries' participation in the multilateral trade system. This state of affairs raises, however, the question of the WTO's budget to finance permanent representation and improve the expertise capacities and representation of the poorest countries.

The consequence of the large imbalances among WTO member countries when it comes to the size of their representations is that the decision-making process is, in reality, far from democratic. Among other things, although decisions are only reached by the members, the Geneva-based Secretariat plays an important role in the negotiation and decision-making process, which further increases the importance of having representation of critical size.

The "Green Room Meetings" (the walls of the Director's office are green) are a good example of informal meetings organised in small groups by the Secretariat within the halls of the WTO. Most of the time, only a small group of member countries are notified of these meetings, in particular the "Quadrilaterals" or "Quad" (the United States, the EU, Canada and Japan). Other large countries such as Australia, India and Brazil have joined this group. This leads to compromises without the full participation of all members in the primary discussions and negotiations. Once the Green Room Meetings have reached a consensus, it becomes difficult for developing countries to block a decision. Among other things, the negotiation process that precedes all agreements is rife with power struggles that, of course, do not work in favour of African countries.

Ambassador Nathan Irumba's View of the WTO

Ambassador Nathan Irumba is Uganda's former Permanent Representative to the WTO, the former Coordinator of the Least Developed Countries (LDCs) Group at the WTO, and the former Coordinator of the Commonwealth Developing Countries at the WTO.

The asymmetry of the WTO and lopsided liberalisation should be viewed from a historical perspective. Historically, the WTO was a "rich man's club only". This is reflected in the countries that participated in the Havana Conference. It was only during the Uruguay Round when competition had increased in these countries that integration of developing countries was considered, or more specifically that they were seen as potential suppliers of raw materials and markets for the products from developed countries.

Trade negotiations within the WTO are essentially about the exchange of trade concessions via, among other things, tariff reductions. For a country to succeed in pursuing its agenda within the WTO, it must among other things have a large market, ally with other countries that share its interests, or even be a superpower that must be part of the negotiations. For instance, very few developing countries participated in the Havana Conference; as a consequence, the strategic products of developed countries were the ones considered. It is not by accident that textiles and agriculture—sectors in which developing countries had a particular interest—were kept out of the GATT until the Uruguay Round Agreement.

This does not mean that LDCs and developing countries should not participate in the WTO.

It is important to ensure that the WTO rules promote development in poor and developing countries. LDCs have also received very important concessions from the WTO which they have used to become more competitive. Without the power of the market, which is the driving force of the WTO, LDCs would have remained a negligible part of WTO dealings. *(cont.)*

Although developing countries constitute two-thirds of WTO membership, when it comes to the decision-making process, it is not necessarily the desires of this majority that determine the final outcome. The discussions that result in actual decisions are usually limited to developed countries. Despite the fact that the WTO's rules and procedures are very clear, they are not always followed, especially those concerning decision-making. One can regularly see a tendency to sideline the developing countries, especially those with "small" economies, when the "real" decisions are being made. Economies that have the most to offer—especially markets and products—are more willingly listened to and, in many cases, they will have the last word in the final decision.

In the WTO when you are a small country with little to offer, you have to shout loudly to be heard, whereas even a mere body gesture from a developed country will shake the negotiations. To be an active player in the decision-making processes, a country would need to become economically competitive first.

Most of the developing countries' outposts in Geneva are understaffed; yet they are supposed to cover a large number of meetings, both formal and informal, which often take place simultaneously. Real business is often conducted in informal, rather than in formal, meetings. The tension this generates is too high for developing countries to effectively participate in the decision-making processes.

Developing countries and LDCs have caucused into various groups (such as the Like Minded Group, the Least Developed Country Group, the G20, and the Africa Group) in order to champion their interests. To a certain extent, this strategy has been effective in enabling these groups of countries to attain some of their objectives in the negotiations. It is this type of coalition that enabled coordinated resistance in Cancun in 2003 against the issues that the industrialised countries were trying to include in the talks.

There is a need, however, for these groups to remain firm in their positions in the face of developed countries who have a tendency to try to divide this unified front by making separate offers to either the leaders or the strongest countries within these groups.

Necessary Alliances

To make oneself heard in the negotiations and be able to influence the content and agenda of the negotiations, a country's socioeconomic and political weight is decisive. Given the weakness of African economies, alliances between African countries and other member countries are indispensable. In order to have a say in the negotiations, countries tend to form position groups that have shared interests. It must be emphasised that these groups are constantly evolving and re-forming in response to specific negotiation stakes. The groups overlap, as some countries may belong to several of these groups.

Alliances and Position Groups: Where are African Countries?

- **The G90:** African countries, united within the African Union, joined with the LDCs and Africa, Caribbean and Pacific (ACP) countries to form this group. They primarily defend the right to protect their agricultures and support the Cotton Initiative (see Factsheet No. 4). Although these countries' interests converge, the various sub-groups sometimes prefer to speak for themselves.
- **The G20:** This group, which appeared during the Cancun Ministerial Conference (2003), primarily unites emerging developing countries: Argentina, Bolivia, Brazil, Chile, China, Cuba, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, the Philippines, South Africa, Tanzania, Thailand, Venezuela, and Zimbabwe. Their offensive position is to push negotiations towards an additional reduction of developed countries' customs duties and export support.
- **The G10:** This group, which appeared during the July 2004 General Council, brings together net agricultural product importing countries that heavily protect their agriculture: Switzerland, Bulgaria, Taiwan, Iceland, South Korea, Japan, Israel, Liechtenstein, Mauritius, and Norway. These countries defend the right to protect their agriculture, notably by insisting on its "multifunctionality".
- **The G33:** This group brings together Indonesia and developing countries such as Cuba, Kenya, Nigeria, Turkey, Pakistan, and the Philippines. It has structured itself around the defence of "special products" that should not be liberalised so as to take into account the stakes of food security, means of subsistence, and rural development.
- **The Cairns Group:** This group is an alliance between the large agro-exporting countries around Canada and Australia, with the addition of developing countries (Argentina, Bolivia, Brazil, Chile, Guatemala, Indonesia, Paraguay, the Philippines, and Thailand). Several of these developing countries have joined the G20 or the G33, and Australia and Canada speak for themselves more and more often.

KEY POINTS

- *Created on 1 January 1995, the WTO comes from the General Agreement on Tariffs and Trade (GATT), which was negotiated in 1947 primarily among developed countries.*
- *The WTO is a multilateral institution that has the specificity of setting binding rules, operating democratically, and having a Dispute Settlement Body.*
- *In reality, countries' economic and political weight is decisive: the wealthiest member countries have a larger say in the negotiations than other countries.*
- *African countries are under-represented because of a lack of economic and human resources to be present and attend all the meetings in WTO headquarters in Geneva. Alliances are necessary to have greater say in the decisions.*

Source

WTO, www.wto.org

The Agreement on Agriculture

The Agreement on Agriculture (AoA) is one of the numerous WTO agreements established when the World Trade Organisation was created at the start of 1995. It came into force on 1 July 1995, and has been the subject of renegotiation since January 2000.

It is vital that those involved in African agriculture understand the content of this agreement because it sets the rules on using agricultural policy instruments.

THE DIFFICULT NEGOTIATION OF THE AGREEMENT ON AGRICULTURE

Until 1986, agriculture was excluded from international trade negotiations. It was seen as a unique sector that could be heavily protected and supported by states. The major producing regions—with the United States and Europe in first place—set up various instruments that allowed them to develop their agriculture rapidly. But, by favouring highly productive agriculture, these policies also generated growing surpluses that became increasingly difficult to sell.

Starting in the 1980s, a trade war broke out between the major exporting countries and was fought with export subsidies. The excessive cost of these policies and their increasingly harmful effects on the international agricultural product trade led the major supplying countries to include agriculture in the Uruguay Round negotiations (1986-1994). At the time, therefore, the goal was to introduce minimal rules for trade and the support policies underlying it.

The Uruguay Round negotiations stumbled over agriculture the most. During this round, the principal actors in the agriculture negotiation group were the United States, the European Community and, to a lesser extent, the group of agro-exporting countries called the Cairns Group (see factsheet 2). The two key issues in these negotiations were:

1. market access, and
2. reducing agricultural subsidies.

The United States was in favour of promoting greater liberalisation of agricultural trade. For its part, the European Community was significantly less in favour of radical liberalisation but wanted to reach an acceptable compromise. The Cairns Group pushed for a reduction of protectionism and domestic support measures. Developing countries insisted on the need to receive special and differential treatment in the negotiations.

Since agriculture played a major role in their countries' development, the new rules must not hinder growth or impose excessively strict restrictions on government authorities' support policies.

After difficult negotiations, the Uruguay Round resulted in a first Agreement on Agriculture that came into force on 1 July 1995.

THE AGREEMENT'S RULES ON AGRICULTURE

Open Markets

The 1995 Agreement on Agriculture (AoA) proposes rules to improve market access—that is to say make it possible to export more easily, which reciprocally implies accepting more imports on one's own markets. These rules aim to facilitate trade flows by lowering trade barriers, as they are seen as tools that distort products' competitiveness and discourage trade.

What Are Trade Barriers?

Trade barriers consist of tariff barriers, in other words customs duties (import taxes). For instance, if Senegal has set tariffs at 20% of the import value of a product imported with a value of 100 CFA francs, its sale price on the Senegalese market will be 120 CFA francs. Twenty CFA francs will have been added and paid by the importer to the Senegalese state.

Trade barriers also consist of non-tariff barriers, such as tariff quotas. These barriers make it possible to set a quota limit over which a much higher customs duty is levied on all imports, which are therefore more expensive on the destination market.

> ***Tariff Quota***
>
> *Tariff quotas are mechanisms that provide for two customs duty rates for a given import volume: a lower rate that applies until the quota limit has been reached, and a higher rate once the quota has been exceeded.*

See graph on the following page.

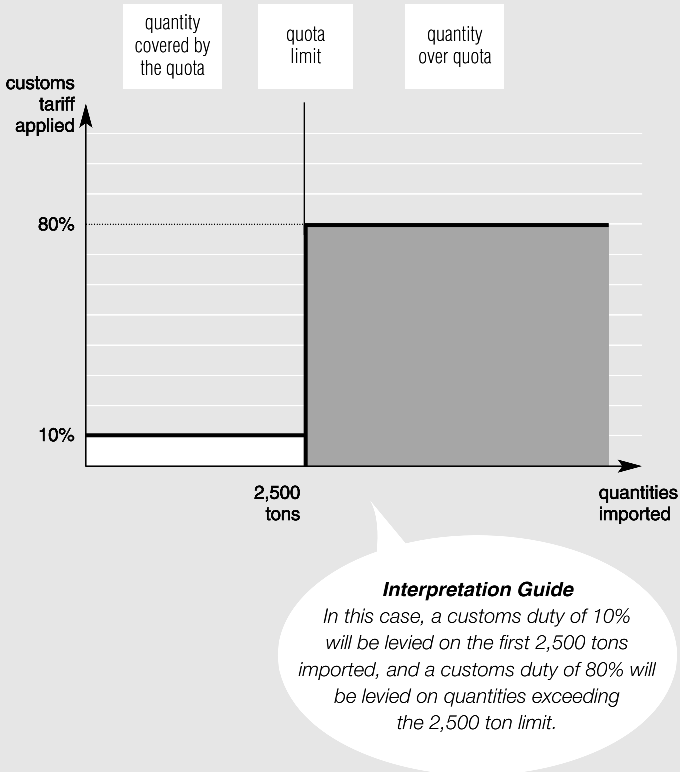
Thus, taxation makes it possible to protect local products by making them more competitive compared to imports.

Lowering Trade Barriers

The lowering of trade barriers made mandatory under the AoA is accomplished in two steps: first, bring transparency to levels of protection, and then reduce them.

1. The first step is to convert existing non-tariff barriers into tariffs to ensure transparency. This is the principle of tariffication. The customs duties obtained through tariffication are added to existing customs duties.

How Tariff Quotas Work



Source: Solagral, 2001

Converting Non-Tariff Barriers into Customs Duties: Apples in Europe

From 1986 to 1988, a quota limited apple imports in Europe. The effect of this quota was to maintain the domestic price at an average of 0.45 euro per kilo, although at the time the world price was 0.30 euro per kilo. The tariffication process consisted of replacing the quota with a customs tariff that provided the same level of protection.

2. **The second step aims to reduce these new tariffs** (the customs duties that resulted from tariffication and were added to pre-existing tariffs). In developed countries, these should decrease by an average of 36% over six years (1995-2001).

   Special and differential treatment applies for developing and least developed countries. Developing countries must reduce their tariffs by 24% over ten years; and LDCs are not required to reduce their tariffs.

   In addition, the AoA allows developing countries to not tariffy their protection, but rather to choose to bind their tariffs at free rates called "ceiling rates". Because structural adjustment programmes have been implemented (see factsheet 1), developing countries have low levels of protection. Tariffying these low levels of protection would be disadvantageous for these countries. In addition, as tariffication involves complex calculations, developing countries prefer to set a ceiling rate. This rate allows them to increase their levels of protection.

   At the end of the implementation period, all tariffs must be "bound" at a "ceiling rate", or in other words set at a maximum level that can no longer be increased.

The Difference Between Applied and Bound Tariffs

Take, for example, a country that, when it joined the WTO, levied a 30% tax on certain imported agricultural products. The government decided to bind its tariffs at the ceiling rate of 180%. Agricultural products could then be taxed up to 180% of their value on entry into the domestic market: this is the bound tariff at the ceiling rate.

With such a ceiling rate, the 24% reduction required under the AoA will have no real impact on the habitual customs duty (30%) because the reduction applies to the bound tariff at the ceiling rate.

Use of Safeguard Provisions

In certain situations clearly specified in the AoA, countries may temporarily restrict imports of a given product by adding additional taxes to those habitually levied on imports. These measures are “safeguard provisions”. The “special safeguard” is a provision of the AoA, whereas the standard safeguard is a provision of the GATT (see factsheet 2).

The Standard Safeguard

The GATT contains many safeguard provisions. The standard safeguard can be implemented in the event of dumping. A safeguard provision can also be implemented to protect a new branch of production (emerging industry), or protect the population’s health (as during the bird flu epidemic). One can also be applied if there is a strong deterioration in the balance of payments, that is to say a dramatic increase of imports compared to exports.

> ***Dumping***
>
> *The GATT defines dumping as selling products at prices lower than those in effect on the exporting country’s domestic market. However, one should bear in mind that dumping is usually defined differently: selling a product at a price below its production cost.*

The Special Safeguard for Agriculture

Governments are authorised to take emergency action in the event of sudden drops in world market prices or import surges so as to protect their markets and their local producers. The additional tax may not exceed 30% of the normal customs duty and can only be applied until the end of the year in which it was introduced. In addition, this specific provision of the AoA cannot be used by numerous developing countries who chose to bind their tariffs at ceiling rates, as these rates are supposed to be high enough to protect countries from any rise in imports.

The Use of Safeguard Provisions to Protect Senegalese Onions

When Senegal joined the WTO, it chose the ceiling rate option and cannot, therefore, use the special safeguard provisions.

In the 2002-2003 crop year, it used the standard safeguard provisions to restrict onion imports on its market. These measures were subject to strictly defined conditions, including minimum access for foreign exporters. Additional customs duties were applied when domestic prices fell.

(cont.)

To be allowed to use the safeguard provisions, Senegal had to prove that onion imports had a negative impact on producers and the domestic onion market during the marketing period for Senegalese onions (from April to August). Senegal showed that its domestic production was sufficient and it did not need to import onions to supply its domestic market during this period. The safeguard provision was invoked and its application had positive effects on the sale of local onions during the 2002-2003 crop year.

In 2003-2004, restricting onion imports had the effect of lowering imports from 14,000 tons in January to 500 tons from April to August (the local onion marketing period). In 2004-2005, imports of more than 19,500 tons from January to April fell to 2,400 tons during the local onion marketing period and then rose again to 45,000 tons starting in September.

In reality, it is difficult for African countries to make use of safeguard provisions. They can be used only in very specific situations. They are limited in time, complicated to implement, and require solid expertise.

Limit Certain Forms of Domestic Production Support

Countries can therefore maintain their support programmes within the authorised limits. However, countries cannot introduce new support programmes that they did not have during the base period.

While it sets rules on the use of domestic support, the AoA does not forbid the use of agricultural policy instruments. On the contrary, it provides the opportunity to maintain, or even increase, some of them, specifically those whose impacts on trade are seen as neutral (blue and green boxes). However, this opportunity is hardly suitable for developing countries since they do not use blue box supports and face budgetary constraints that hinder the use of the relatively costly green box supports.

Among other things, the choice of the base period to calculate Amber Box supports and the impossibility of increasing these supports created an imbalance between developed and developing countries. Indeed, during the chosen base period (1986-1988), most developing countries had already reduced or even abolished their domestic support under the structural adjustment programmes, and now they can no longer turn back the clock by increasing them again.

The AoA negotiations strongly pushed the European Union to modify its Common Agricultural Policy (CAP) and, more specifically, to reduce its production and market supports, classified in the Amber Box. However, while market support spending has effectively fallen, one can see a significant increase in direct aid and rural development spending. Thus, in the EU, one can see a transfer of spending from the Amber Box to the Green Box.

	AMBER BOX	BLUE BOX	GREEN BOX
Measures Concerned	Measures with a direct effect on production: ◆ mainly price support measures; ◆ subsidies aiming to stimulate production.	Production-limiting programmes: direct payments to producers to help them limit their production.	Measures that do not distort trade: direct payments and support measures that are not linked to production volume or price.
Examples	◆ Stabilisation funds used in developing countries to guarantee prices for producers. ◆ Intervention prices used in EU countries to maintain European prices higher than prices on the international market in order to guarantee producers' incomes. ◆ Input subsidies in developed countries.	Mostly created for aid in the European Union and the United States: ◆ compensatory aid in Europe; ◆ deficiency payments in the USA to regulate the amount of aid given to producers. These payments, made by governments, are equal to the difference between the target price and the average production price.	◆ Public services such as research, infrastructures, environmental support, or public stocks for food security. ◆ Agricultural insurance services for producers in the event of natural disasters. ◆ Environmental protection programmes. ◆ Assistance to disadvantaged regions.

(cont.)

	AMBER BOX	BLUE BOX	GREEN BOX
Applicable Rules under the AoA	This type of support must be reduced. The financial volume of these measures was first quantified for the base period (1986-1988) and then subject to reductions. Developed countries must reduce them by 20% between 1995 and 2000. Special and differential treatment applies for developing and least developed countries. Developing countries must make a 13.3% reduction between 1995 and 2004; LDCs are not required to make reductions. Some exceptions exist for developing countries, notably input subsidies for low-income farmers, certain incentives to invest in agriculture, and illicit harvests replacement assistance.	These aids are not subject to a reduction commitment, but they cannot be increased.	These aids are not subject to a reduction commitment, and they can even be increased, without limit.

Reduce Export Subsidies

The AoA aims to reduce export subsidies. It believes that these subsidies distort countries' real competitiveness by allowing them to lower their export prices. When the AoA was implemented in 1995, the major users of these subsidies were the European Union and the United States. Most other countries, especially developing countries, did not resort to this type of instrument since structural adjustment programmes had limited the use of subsidies.

Export subsidies include:

- direct subsidies given to exporters (if the export price is lower than production costs, the state pays the difference to exporters),
- exports of stocks (resulting from production surpluses) at lower prices than those on the domestic market,

- subsidies that aim to reduce the cost of marketing exports, and
- subsidies for the internal transport of exported products.

Export credits and export credit guarantees, state trading companies, and food aid have been included as topics in the renegotiation of the AoA under the July 2004 Framework. Indeed, these measures can significantly help exporters export at artificially low prices.

The AoA requires cutting both the amount of money devoted to export subsidies and the quantities of exports receiving subsidies. Developed countries must cut the budgets devoted to subsidies by 36% over a period of six years, and reduce the volume of subsidised exports by 21%.

Special and differential treatment applies for developing and least developed countries. Developing countries must cut their export subsidies by 24% over a period of ten years, and reduce the volume of subsidised exports by 14%. LDCs are not obliged to reduce them.

Why Negotiate Rules on Food Aid in the AoA?

Including food aid in the export support pillar can be explained by the fact that food aid is sometimes deviated from its reason for being (above all an emergency response to food crises) and used for commercial purposes. For donating countries, it can become a way to offload production surpluses, and can thereby have negative effects on the markets of beneficiary countries.

In Ethiopia as in Bangladesh, food aid in the form of wheat is sometimes delivered at the same time as the national wheat harvest, causing large drops in prices for local producers.

Also in Ethiopia, approximately one third of the wheat food aid from the United States is monetarised (sold on local markets) and the income from these sales is used to finance American NGOs there. Not only does this aid meet the needs of NGOs more than it does those of local populations, it also drives local prices down.

While overall food aid does not represent large volumes compared to international trade flows (wheat and wheat flour are the largest food aid products but represent only 3% to 6% of trade over the last decade), food aid is far from negligible for certain products and countries. For instance, in the United States, the largest donor, soy oil donations represent 30% of its exports on average. What is more, *(cont.)*

they are inversely proportional to international market prices: the lower these prices, the more food aid increases and vice versa. This clearly shows that food aid is a way to reduce domestic stocks when the market is saturated. Similarly, American powdered milk donations can represent up to 70% of its exports when the international price is low. One final example is Japan, the largest rice donor, who provides three times more rice in the form of food aid than it exports!

The WTO is therefore justified in regulating food aid when it has distorting effects on markets, which is potentially the case with grants in kind and monetarisation (sale on markets). Other legal frameworks, such as the London Convention, regulate food aid practices. Needs assessments by beneficiary countries, monetary grants, and local or regional purchases are encouraged so as to "untie" food aid from commercial interests.

THE STAKES OF THE AGRICULTURAL RENEGOTIATION FOR AFRICAN COUNTRIES

The Renegotiation of the Agreement on Agriculture in 2000

The Agreement on Agriculture has been under renegotiation since January 2000, in line with the principle that the WTO is a continuous arena for liberalisation. The objective of the renegotiation is, therefore, to go further in defining new rules for liberalisation in each of the three pillars of the Agreement. Several points under negotiation divide the members and no consensus has been reached on how to resolve these conflicts. The standoff is such that the negotiations were suspended in July 2006, making it impossible to conclude the Doha Development Round (see factsheet 2) by the end of 2006. Negotiations have resumed since February 2007, but an agreement that would make it possible to complete the round has still not yet been found.

The primary sticking points deal with new tariff reductions (percentage of reduction, products covered, length of time for implementation, etc.) and the flexibilities allowed for certain products. Some developed countries want maximum flexibility for products they deem sensitive. Developing countries, and notably

Cecilé Broutin

market preparation of milk products in Senegal

African countries, also want maximum flexibility in reducing tariffs on "special" products for poverty alleviation and food security. In regard to the domestic support pillar, the negotiations are stuck notably over the additional reductions to be made in Amber Box support measures, and also over a redefinition of the Blue and Green Boxes. When it comes to the export support pillar, even though the European Union has agreed to cancel its export subsidies, the negotiations are still stalled because implementation of the EU's decision is conditional on concessions by the other members—the United States in particular—on export credits, abusive use of food aid, and state trading companies.

African Countries' Position on the Agreement on Agriculture

The rules of the Agreement do not fundamentally change the situation in which African countries find themselves. On the contrary, they consolidate the countries' narrow manoeuvring room to elaborate agricultural policies by imposing rules that, while more flexible than those in structural adjustment programmes, move in the same direction (see factsheet 9). Among other things, the conditions of international trade, in particular when it comes to the prices of tropical products, are still disadvantageous for them.

To defend their interests, African countries have mobilised and organised themselves within the African Union; within the WTO, they belong to the G90 position group (see factsheet 2). For African countries, one major stake in these negotiations is to ensure that the development dimension remains at the heart of the Doha Round discussions. In this aim, African countries' position is to support the proposals of a group of countries (the G33) that want specific treatment for special products.

In addition, the observation that agricultural commodities prices are unstable and falling over the long term led the African Union to support, in 2006, an initiative on commodities carried by a few African countries. African countries want the WTO to be a true forum to regulate international commodities markets, not by giving free trade free reign but by setting up collective actions such as product agreements that allow exporting countries to regulate supply on these markets.

KEY POINTS

- *The Agreement on Agriculture (AoA) entered into force on 1 July 1995, following the Uruguay Round negotiations.*
- *The aim of the 1995 AoA is to liberalise trade by lowering all trade barriers that hinder the development of world trade.*
- *The AoA aims to open markets by lowering trade barriers. Recourse to safeguard provisions does exist, however, to protect domestic markets in specific circumstances.*
- *The AoA categorises domestic production support measures into three categories (Amber, Blue and Green Boxes) and limits recourse to Amber Box measures that have a direct effect on production, that is to say price support measures and subsidies that stimulate production.*
- *The AoA aims to reduce export subsidies.*
- *Developing and least developed countries receive special and differential treatment: developing countries have lower levels of reduction and longer implementation periods, while LDCs are not subject to any reduction obligations.*

(cont.)

- *For most developing countries that have already significantly reduced tariffs and domestic support under structural adjustment programmes, the reductions mandated by the AoA have a very limited impact on their agricultural policies.*
- *The AoA has been under renegotiation since January 2000, with the aim of further liberalising trade by increasing the number of agricultural policy instruments covered and further reducing subsidies and customs duties.*
- *To defend their interests, African countries are mobilising and organising themselves within the African Union and are part of the G90 position group within the WTO.*
- *Developing countries advocate maintaining the development dimension at the heart of the Doha Round discussions. They support proposals made in favour of specific treatment for special products and the commodities initiative.*

Sources

FAO (1998), *Les conséquences de l'Accord sur l'agriculture du Cycle d'Uruguay pour les PED. Un manuel de formation*, No. 41.

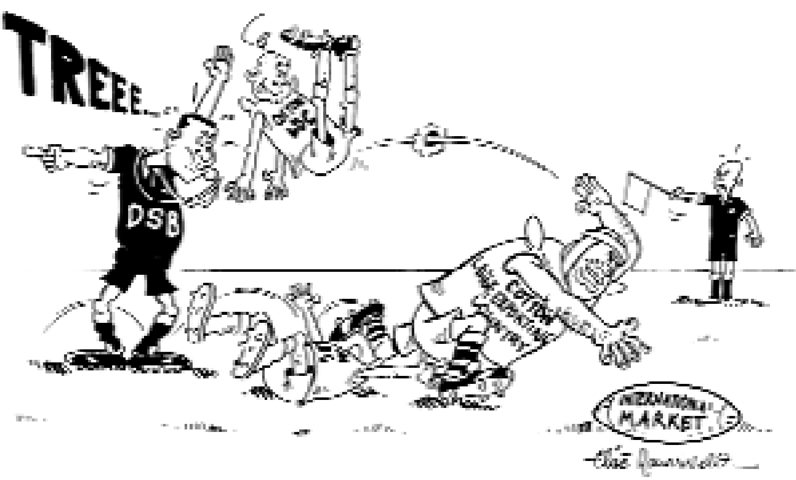
Solagral (2001), *Les agricultures du Sud et l'OMC, 11 fiches pour comprendre, anticiper et débattre*.

WTO, www.wto.org

The Application of Rules: Cotton

Agricultural policy implementation by the various WTO member countries can generate disputes, even conflicts, when interests diverge or contradict each other.

For African countries, cotton is the most illustrative case of a dispute within the WTO.

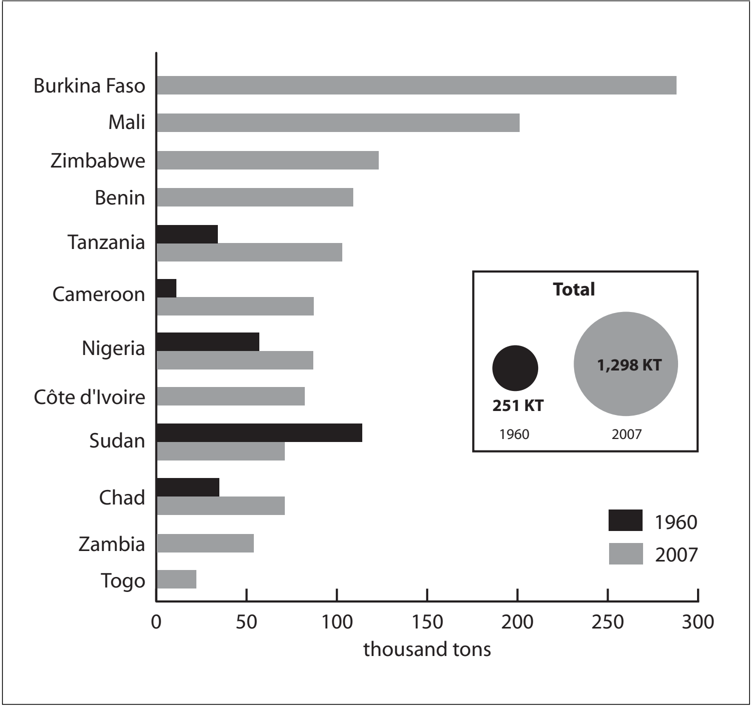


THE COTTON CASE

Cotton in West and Central Africa

In Africa, cotton growing has expanded considerably since the 1980s: it doubled between 1985 and 2007. Among the twenty-five African cotton producing countries, those of West and Central Africa account for two thirds of the quantities produced.

The Principal African Cotton Producing Countries' Production in 1960 and 2007



Source: USDA

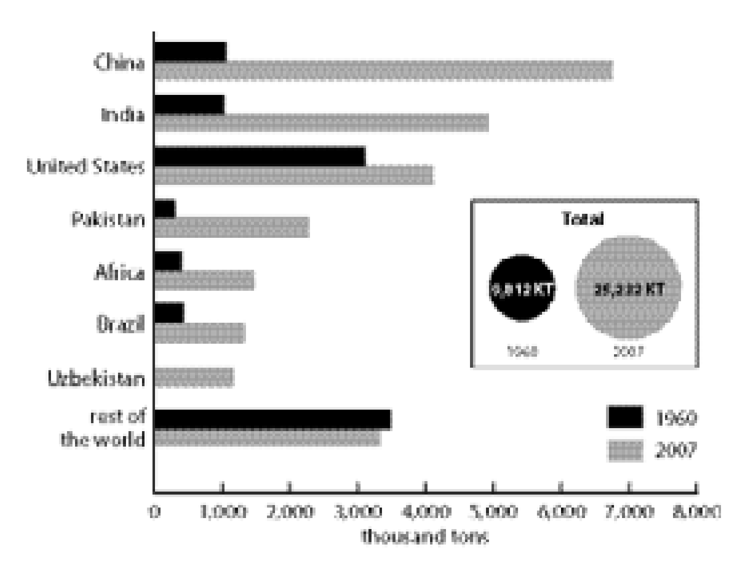
At the Africa-France Summit in February 2007, the President of Burkina Faso stated that 20 million people in sub-Saharan Africa are involved in cotton growing, primarily on small family farms.

African cotton is produced with relatively few resources: rainwater, no mechanisation, little-paid household labour. Harvesting by hand yields longer fibres and good quality cotton. When it comes to the quality-price ratio, West Africa has a natural comparative advantage in cotton production.

In the cotton growing regions of West and Central Africa, cotton growing has a significant impact on poverty reduction because it provides the households concerned with cash income and because of the development of infrastructures (roads, schools, health care dispensaries, for example). In addition, cotton production has even helped improve cereal production in the Savannah. Maize production has increased thanks to an appropriate crop rotation system and the fertiliser obtained with cotton-guaranteed credits.

Africa as a whole is ranked fifth among world producers, after China, India, the United States and Pakistan, and before Brazil and Uzbekistan, with other cotton producing countries very far behind when it comes to volumes produced.

The World's Principal Cotton Producing Countries' Production in 1960 and 2007



Source: USDA

Unlike other cotton producing countries such as the United States, China, India and Brazil, most African countries do not process the cotton they grow on their territory, but rather they export it in the form of bales of raw cotton. The largest cotton consuming country is China, by far. Indeed, its local production is unable to meet the growing needs of China's textile industry, the largest in the world.

The Size and Advantages of the Cotton Commodity Chain in Sub-Saharan Africa

Cotton growing occupies a non-negligible place in several African countries:

- **In Benin**, cotton accounts for 5.3% of the GDP and 67% of total exports, and concerns three million people, or one out of two Beninese.
- **In Burkina Faso**, cotton accounts for 4% of the GDP and 57% of exports. Three million Burkinabe, or one out of four Burkinabe, make their livings from cotton.
- **In Mali**, cotton accounts for 9% of the GDP and 38% of exports, and provides a living for 3.3 million people.
- **In Tchad**, cotton accounts for 9% of the GDP and 76% of exports (excluding oil), and occupies one million people.

A study by the World Health Organization in Burkina Faso showed advantages to growing cotton:

- Cotton/maize rotation pays better than growing only cowpeas, and leads to a better diet.
- In cotton growing zones, a link between the spread of cotton growing and improved health for households has been observed.
- When cotton production grew rapidly between 1993-1994 and 1997-1998, the incidence of poverty fell by 42% to 50% in the cotton growing zone at that time, whereas it increased by two points in zones without cotton.

Source: Cotton's share in exports and GDP data, years 2000-2001, UNCTAD

The Cotton Sector: A Threatened Future in the CFA Franc Zone

The principal cotton producing countries in Africa are, therefore, for the most part, highly dependent on cotton exports, as cotton is often the only (or the primary) product exported. Because of this, the variation in cotton prices on the world market has a very strong economic and social impact on these countries and their populations. Yet, since the mid-1990s, world cotton prices have been falling sharply, and in 2001-2002 they reached a 30-year low. This drop is caused by an increase in world production that is not absorbed by demand even though demand is rising (see graph on the following page).

This price drop automatically reduces the export earnings of West and Central African countries, which export 95% of the cotton they produce. In response to this price drop, the Ministries of Agriculture in West and Central African countries commissioned a study to assess the harm to their countries. The study estimated African countries' lost earnings in terms of net export income to be 250 million dollars in 2001-2002. In 2005, this amount was revised to 400 million dollars—much more than the multilateral and bilateral official assistance Africa receives.

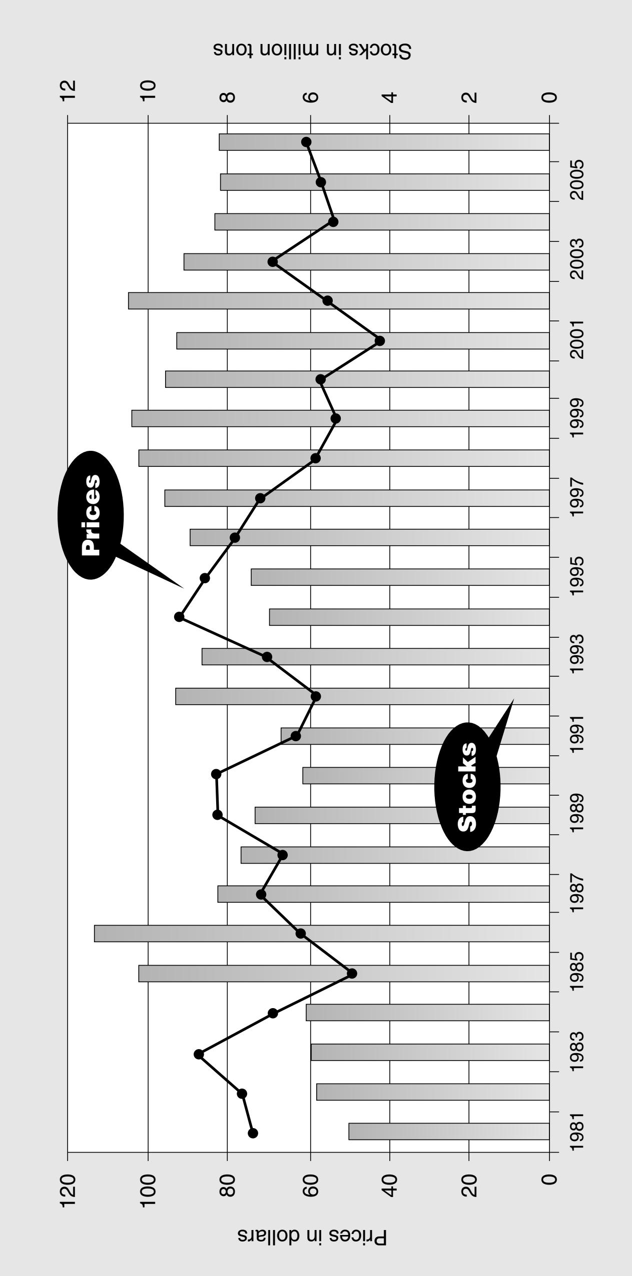
The consequences are also considerable for producers themselves. The price paid to producers follows the world price, and the incomes of cotton producing households are falling sharply, increasing poverty in cotton producing regions.

Unfair Competition from Developed Countries

Several factors are behind the drop in cotton prices: competition from synthetic fibres, the sluggishness of the world economy, and above all the increase in production, which reached a record high in 2001-2002. Thus, the quantities sold on the world market followed the trend and prices plummeted. The United States, the world's largest exporter by far, is the primary country responsible for the increase in exports.

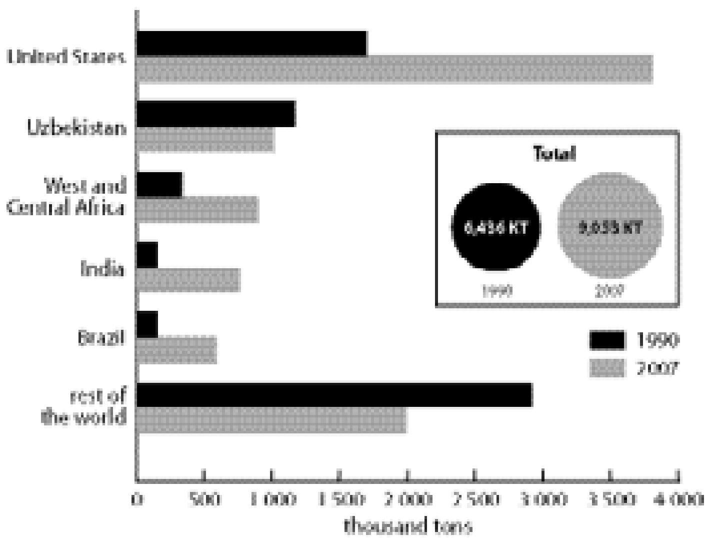
The increase in cotton production in the United States, and to a lesser extent in the European Union, is encouraged by the subsidies paid to cotton producers. These subsidies are estimated to total 4.5 billion dollars, or three quarters of the value of world exports. By encouraging production, the effect of this aid is an increase in exports, and therefore a drop in world prices.

Evolution of World Cotton Prices and Stocks



Source: Cotton: World Statistics – International Cotton Advisory Committee bulletin. Cotton Outlook Index A, www.cotlook.com

The World's Principal Exporters' Cotton Exports in 1990 and 2007



Source: USDA

North American Cotton Policy

The United States helps its producers and exporters sell inexpensive American cotton thanks to production and export support systems. The three main production supports aim to reduce risks to cotton producers:

- **Direct Payments:** Producers receive a set amount of aid multiplied by the hectare regardless of their production levels or world cotton prices. The aid is calculated based on past surface area.
- **"Contra-cyclical" Payments:** Introduced in 2002, these payments are linked to world cotton prices because they are paid when the price drops below 0.72 dollars per pound, based on past production.
- **Marketing Loans:** These are guaranteed prices paid to producers based on their real production when they do not find buyers. *(cont.)*

Export aid takes the form of two programmes:

- **Export Credit Guarantee Programmes:** Buyers of American cotton receive loans at preferential terms. The government provides a low interest rate and guarantees loan repayment if the borrowers default.
- **The Step 2 Programme:** In place since 1990, this programmes makes payments to exporters and textile factories that buy American cotton. The payments offset the difference between the price on the domestic market and the international price so that American cotton remains inexpensive.

In 2001-2002, aid to cotton producers was estimated at 3.7 billion dollars including export assistance (export credit guarantees, aid to exporters, etc.).

In all, more than four billion dollars were distributed in the cotton sector in 2001 and 2002, primarily in the form of production support—much more than the total value of American production.

What triggered this massive support?

In 2001-2002, a change in the United States' agricultural policy generated an overproduction of cotton. Indeed, until 1996 in the United States, a set of mechanisms destined to ensure stable and decent prices for agricultural products was active, including "supply management" instruments. A radical change of direction was decided for North American agriculture with the adoption of the 1996 Farm Bill.

What followed was an increase in cultivated land and a sharp drop in cotton prices on the American market. Faced with this situation, the response was an increase in aid to American cotton producers, from 0.6 billion dollars in 1997-1998 to more than two billion dollars in 1999-2000.

A new law with a total budget of 180 billion dollars came into force in 2002-2003, and allowed the United States to remain one of the largest cotton producers and exporters.

In the United States, farms are highly mechanised. The average production cost in 2001-2002 was approximately 50% more than in the countries in the West and Central African cotton zone where labour is paid less than one dollar a day. There is a striking contrast between the million African households growing two or three hectares of cotton and the few thousand American planters cultivating 1,000 hectares of cotton and providing half of the United States' production, or twice the production of West and Central Africa.

American subsidies are concentrated on these few thousand American planters. The International Cotton Advisory Committee (ICAC) estimates that 40% of the world's subsidies go to 25,000 American producers, and that 80% of these subsidies go to 3,000 of them. It should be noted that over the 2002-2004 period, the American government distributed in subsidies the equivalent of the value of the cotton produced. Without these subsidies, American cotton would not be profitable.

All cotton exporting countries that do not subsidise their farmers are confronted with this unfair competition. Both Brazil and African countries have brought the issue of cotton before the WTO, using different strategies.

BRAZIL AND THE FOUR AFRICAN COUNTRIES: TWO INITIATIVES, TWO STRATEGIES

Brazil's Complaint against the United States

In September 2002, Brazil filed a complaint with the WTO's Dispute Settlement Body (DSB) in Geneva (see factsheet 2) against American cotton subsidies because of their effects on international prices. Brazil claimed to have been seriously harmed by the subsidies granted to American cotton producers. Two other countries soon joined Brazil.

Brazil then invited the countries of the CFA franc zone to join it as co-plaintiffs in its dispute with the United States. The African countries initially declined this invitation but, in March 2003, Benin and Chad decided to join the dispute as third parties. This status allowed these two countries to present communications during the procedure to support Brazil's demands. Nevertheless, the solutions provided to the dispute would only concern Brazil.

Several different stages over several years were needed to eventually see the United States condemned in March 2005. However, the procedure was not complete until June 2007. At Brazil's request, a compliance panel was formed to assess whether or not the United States had complied with the March 2005 ruling.

Brazil argued that, by providing aid to its cotton producers, the United States had not complied with the WTO's Agreement on Agriculture, and in this way contributed to the drop in world

Timeline of Brazil's Complaint

3 October 2002 : Brazil requests consultations on the subsidies paid to cotton producers in the United States. India asks to join the consultations on 18 October, and Argentina does so on 22 October.

March 2003 : A WTO panel is established to settle the dispute between Brazil and the United States.

June 2004 : The WTO panel submits an intermediary report in favour of Brazil.

September 2004 : The ruling in favour of Brazil is confirmed in the final report.

October 2004 : The United States appeals the ruling of the DSB panel.

March 2005 : The DSB confirms its ruling in favour of Brazil.

October 2005 : Brazil requests authorisation from WTO members to apply customs tariffs as a retaliation against American exports. Washington promises to implement the necessary reforms.

28 September 2006 : At Brazil's request, the DSB decides to form a compliance panel.

Jacques Bonvallot (IRD)

cotton harvest in Benin

prices, harming Brazilian producers. In particular, Brazil claimed that some of the aid that the United States had not notified (not declared) to the WTO needed to be classified as export subsidies, and that other forms of aid were declared in the wrong category. The DSB sided with Brazil and decided that American aid needed to be reclassified.

Results of the DSB's Reclassification of American Aid

US Programmes	2002-2003 Expenditures (in billion $)	US Classification	DSB Decision (March 2005, appeal)
Export Credits for Cotton and Other Products	1.6	not notified	Export Subsidy
Step 2	0.4	Amber Box	Export Subsidy
Production Support	2.8		
Marketing Loans	0.9	Amber Box	Amber Box
Contra-cyclical Payments	1.3	Amber Box	Amber Box
Direct Payments	0.6	Green Box	Amber Box

The Cotton Initiative of Four African Countries

The Demands of Farmers' Organisations (FOs)

In November 2001, four cotton FOs—the Union nationale des producteurs de coton du Burkina Faso, the Fédération des unions de producteurs du Bénin, the Syndicat des producteurs de coton et vivriers du Mali, and the Maison des paysans de la région du Sud-ouest de Madagascar—published the "Bobo Dioulasso call" (so called after the city of the same name in Burkina Faso). They solemnly demanded that the United States and the European Union end the subsidies they gave their cotton producers that, according to the four FOs, were the cause of the sharp drop in cotton prices on the international market. This was the start of a series of farmers' initiatives that marked the year 2002 with international mobilisation. This mobilisation among producers pushed their governments to bring the cotton issue before the WTO.

Examples of the Mobilisation of African Cotton Producers

- **A petition signed by 250,000 West African cotton producers:** In September 2003, the day before the negotiations at the WTO's 5th Ministerial Conference in Cancun (Mexico) opened, petitions from 250,000 West African cotton producers were given to the WTO's Deputy Director General by François Traoré, Chairman of the Union nationale des producteurs de coton du Burkina Faso (UNPCB).
- **The Réseau des organisations paysannes et de producteurs de l'Afrique de l'Ouest (ROPPA):** ROPPA brings together organisations and "frameworks of dialogue" from ten West African countries (Benin, Burkina Faso, Côte d'Ivoire, Gambia, Guinea, Guinea-Bissau, Mali, Niger, Senegal and Togo). It has conducted numerous actions, often with partners, to defend African farmers. Among other things, it organised, with other partner NGOs, a workshop in Saly (Senegal) to establish a coherent and converging strategy for West and Central African countries in Cancun. In May 2004, it also organised a farmers' consultation meeting in Cotonou (Benin) on the cotton sector in West and Central Africa. The final declaration, titled the "Cotonou Declaration on the Development of the Cotton Sector in Africa" notably states that FOs "invite the States and their sub-regional and regional economic organisations to continue and intensify their pleas for the renegotiation of the WTO rules".
- **The creation of the Association of African Cotton Producers (AProCA):** In December 2004, cotton producers in West Africa (Burkina Faso, Togo, Benin, Cameroon and Senegal) created AProCA. This association's objective was to rally the continent's producers so they could better defend their interests, notably during the WTO negotiations planned for December 2005 in Hong Kong.
- **A demonstration by Beninese cotton producers:** In January 2005, Beninese cotton producers organised a demonstration to demand state support to withstand the drop in cotton prices on the international market.

The Cotton Dossier is Carried by National Authorities

In April 2003, four African countries—Benin, Burkina Faso, Mali and Chad—launched the “Sectoral Initiative in Favour of Cotton”, more commonly called the Cotton Initiative. Benin transmitted the text to the WTO on behalf of all four countries.

Arguing that cotton growing was strategic for their economies given the place occupied by production, and that the harm caused by the drop in world prices was considerable, the four African countries demanded, with this initiative, that the decision be made during the Cancun Ministerial Conference to eliminate all (domestic and export) support paid by developed countries to their cotton producers. This demand mostly targeted the European Union and the United States. In addition, the four countries demanded that they be financially compensated until this decision was applied.

An unprecedented occurrence at the WTO, Blaise Compaoré, the President of Burkina Faso, defended the four countries’ cotton dossier in person during the General Council meeting in May 2003, to show the importance of the subject. The day after the text of the Cotton Initiative was transmitted to the WTO, the cotton producing countries began an international awareness-raising campaign. This campaign was conducted with the support of national and international NGOs and saw the strong mobilisation of African cotton producers.

The proposal was rapidly supported by the Least Developed Country group and by the Africa group. During the first discussion on this subject during the Agriculture committee meeting in July 2003, certain developed countries, such as Norway, New Zealand and Australia, supported the initiative without reservation.

The inability to find an adequate response to the Cotton Initiative was one of the factors in the failure of the Ministerial Conference in Cancun (Mexico) in September 2003. The African cotton producing countries, their farmers’ organisations, and the national and above all international NGOs that supported them were presented as the primary actors in this standoff.

In the framework of the WTO negotiations on agriculture and on the three pillars of the Agreement on Agriculture (market access, domestic support, and export competition), a sub-committee on cotton was created in July 2004 with the goal of “ambitiously, expeditiously and specifically” finding solutions. However, no specific solution for cotton was presented at the Hong Kong Ministerial Conference in December 2006.

The African Initiative's Limits

In the end, the strong African and international mobilisation on the cotton issue did not shake the United States' position. Despite the press coverage around the world, the United States continued to support its cotton producers. For its part, the European Union modified its cotton policy in 2003, but given its small weight in the international cotton market, the change did not affect prices. Nevertheless, the African actors new to international negotiations received a considerable education.

Unlike Brazil that filed a complaint, the four African countries chose the path of dialogue and negotiation. African countries did not want to confront cotton producing developed countries directly, in particular since the dispute resolution procedure is long, costly and requires one to present a very solid and well-argued legal dossier.

For Africa, cotton is the most staunchly defended issue at the WTO. It raises the question of developing countries' farmers' place in the current globalisation. Yet, if the negotiations have no effect, there is a risk that African countries will ask themselves if they have an interest in continuing to negotiate.

Furthermore, while it is true that the end of subsidies would facilitate the lives of millions of Africans for whom cotton is the only source of income, it will have only little impact on world trade over the long term. Cotton producers may find themselves at the same dead end as coffee and cocoa producers. Indeed, the price of these last two products, even though they are not subsidised, has dropped spectacularly for three decades. The questions of production diversification, dependency on one unprocessed export product, and supply management should be addressed.

The Need to Reform the Dispute Settlement Body

African countries' demand is justified by the need to better adapt the rules of international trade to the development needs of poor countries. The Dispute Settlement Body (DSB) does not change the rules so that the situation in Africa can improve. It only enforces existing rules. Of course, the United States eliminated export subsidies on cotton at the request of the WTO, but it has kept the domestic subsidies that are harmful for developing countries.

Calling on the DSB carries a financial cost that is often beyond the means of most developing countries. The African country group at the WTO has asked that a fund be created to allow these countries, and LDCs in particular, to access the DSB without having to cover the high cost of doing so. This demand was received with little enthusiasm by the United States and the European Union.

The DSB is a mechanism largely reserved for wealthy countries. Some developing countries can find it difficult to initiate a complaint against a major power on which they still "depend" politically, financially and economically.

Finally, the retaliation measures planned as sanctions are often out of developing countries' reach. Indeed, retaliation measures are based on the right to increase the customs tariffs on imports from the losing country. A country's weight at the DSB is, therefore, proportional to its import capacity, which works against African states. However, these measures can do serious damage when wealthy countries use them against developing countries.

KEY POINTS

- *The United States' agricultural policy has harmful effects on world cotton prices and, consequently, on the economies of African cotton producing countries.*
- *Brazil filed a complaint with the WTO, arguing that the United States did not follow the rules, and the Dispute Settlement Body (DSB) found in Brazil's favour.*
- *African countries chose the path of negotiation to attempt to change the United States' cotton policy, rather than filing a complaint, as DSB complaint procedures are long and costly.*
- *Despite strong mobilisation by African civil society and States, the United States did not modify its cotton support policy.*
- *This example shows that DSB rules must be modified to allow African countries to defend themselves effectively.*

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The Agreements on Standards

Standards are rules imposed on the production and marketing of merchandise so that the goods sold are of good quality and guarantee consumers' safety.

In elaborating these agreements, the WTO places great importance on production and marketing rules for agricultural products.

STANDARDS AT THE WTO

Within the WTO, the member countries have the right to adopt standards to protect the lives of human beings, animals and plants in the framework of the agreements on sanitary and phytosanitary (SPS) measures and on technical barriers to trade (TBT).

The line that separates standards from barriers to trade is difficult to draw. Indeed, countries are increasingly using standards—which are supposed to protect consumers' health—as instruments to protect domestic markets from foreign products.

During the Meeting of the ACP Ministers in June 2004 in Mauritius, the ministers declared that non-tariff barriers, including SPS and TBT measures, "deny market access for agricultural products of ACP States".

The Agreement on Sanitary and Phytosanitary Measures

The Agreement on Sanitary and Phytosanitary Measures (SPS Agreement) sets forth fundamental rules when it comes to food safety and animal and plant health standards. It has two primary objectives:

- ensure consumers' supply in wholesome food products; and
- prevent strict health and safety regulations from being used as a pretext to protect markets.

The SPS Agreement does not specifically create standards. Instead, it encourages the member countries to use already existing international standards, directives and recommendations. For instance, for food products, it recommends using the standards referenced by the Codex Alimentarius, the World Organisation for Animal Health, or the International Plant Protection Convention's secretariat.

The SPS Agreement's (and the TBT Agreement's) recognition of the Codex's standards generated considerable interest in the Codex Alimentarius Commission's activities. Participation by member countries, and notably developing countries, increased. This, by the way, is what the two agreements encourage by asking their members to participate as fully as their resources allow in the work of international standards organisations and their subsidiary bodies.

The Codex Alimentarius

The Codex Alimentarius is a collection of the standards, codes of practice, directives and other recommendations elaborated by the Codex Alimentarius Commission created in 1963 by the United Nations' Food and Agriculture Organization (FAO) and the World Health Organization (WHO). It proposes using shared standards on the international market. This harmonisation aims to reduce obstacles to trade, and protect consumers from health risks.

The principal objectives of this collection are to protect consumers' health, promote fair practices in the food trade, and coordinate all work on standards by governmental and non-governmental organisations. Some of these texts are general, others are very specific. Some cover detailed criteria for a food or group of foods, others cover production processes and their management or the use of governments' regulation systems targeting food safety and consumer protection. Codes of practice define, for example, production, processing, fabrication, transportation and storage practices for foods or groups of foods, all of which are seen as crucial to guaranteeing that foods are wholesome and edible.

Today, the Codex Alimentarius is the international reference for those who consume, produce and process foodstuffs, national food control agencies, and the international food trade.

The codex can be consulted on Internet at *www.codexalimentarius.net*

In addition, the SPS Agreement acknowledges that governments have the right to take the sanitary and phytosanitary measures needed to protect human health. However, these measures can only be applied in very specific cases to protect the health of people and animals, or to preserve plants. The measures taken must not discriminate between countries where conditions are identical.

When they exist, international standards must be given priority. Countries can, however, establish their own standards when they are based on scientific studies. Thus, countries are allowed to establish stricter standards than those recommended in the SPS Agreement if these new standards have a scientific justification or are based on an assessment of the risks involved in importing certain products that could harm public health or the environment.

Disparities in Standards: The Case of Maximum Residue Limits on Mangos

WTO member countries are supposed to apply international standards. If they do not, they open themselves to complaints. However, they also have the right to set up stricter domestic safety standards. One example is the case of mango standards and, more specifically, the Maximum Residue Limits (MRLs) for pesticides authorised in the Codex Alimentarius.

A comparison of the MRLs for ten pesticides recommended by the Codex and those set by the EU and Japan shows that:

- the EU and Japan usually follow the Codex's recommendations for pesticides;
- Japan usually applies the same MRLs as those recommended by the Codex; and
- the EU usually applies stricter MRLs than those recommended by the Codex.

MRLs in the Codex, Japan and the EU (in mg/kg for mangos)

Pesticide	Codex MRL	EU MRL	Japan MRL
Carbendazime	2	0.1	2
Dimethoate	1	0.02	1
Dithiocarbamates	2	-	2
Imidacloprid	0.2	-	1
Propiconazole	0.05	0.05	0.05
Thiabendazole	5	5	3
Triadimefon	0.05	0.1	0.05
Triadimenol	0.05	-	0.05

The difference between the MRLs recommended by the Codex and those set by the EU and Japan are only one illustration of the differences that one can encounter on entry to the various member countries despite the existence of the SPS Agreement. This multitude of standards can be similar to an obstacle to trade. This reveals the importance for exporters of having this type of information, which must normally be made available by importing countries.

Indeed, when scientific proof is not conclusive, it is possible to apply the precautionary principle. Article 5.7 of the SPS Agreement authorises temporary precaution measures in this case. Thus, when faced with a contamination or public health risk, countries may take the precaution of temporarily banning the importation of an agricultural good until it is certain that the risk of consuming a given product has disappeared. This principle was, for example, used by the government of France to justify its ban on English beef imports during the "mad cow" epidemic.

Standards must be the subject of prior information to the WTO and a national enquiry point must be set up.

In Africa, there is a contrast between the standards proclaimed and their practical application. Even the simple WTO standards that exist on health and safety practices are difficult to apply. African countries do not allocate the necessary human and material resources to the public structures in charge of verifying health and safety standards for products, provoking a true laxism that is dangerous for consumers' health. Regionally, however, efforts to reflect on food product production and distribution conditions have been undertaken within the West African Economic and Monetary Union (WAEMU).

The Agreement on Technical Barriers to Trade

The Agreement on Technical Barriers to Trade (TBT Agreement) aims to ensure that product standards do not create barriers to trade. The agreement specifies that international standards must be given priority, but does not oblige countries to alter their levels of protection. Countries can, thus, establish their own standards or adopt measures to ensure compliance. The assessment of product compliance with domestic standards must be fair and equitable. Mutual recognition of domestic standards by countries is encouraged.

As with the SPS Agreement, there are two stakes:

1. protect consumers, and
2. ensure that the use of standards is of real utility and not an arbitrary and discriminatory market protection instrument.

Article 2 of the TBT Agreement, "Provisions on Technical Regulations and Standards", encourages the use of international standards, and notably those of the Codex Alimentarius, as the reference for use of standards and technical regulations.

However, as with the SPS Agreement, the TBT Agreement acknowledges that countries have the right to adopt standards they deem appropriate, for example to protect the health and life of people and animals, preserve plants, protect the environment, or defend consumers' other interests.

Ultimately, the only restriction is that the regulations adopted do not discriminate between countries.

Despite the TBT Agreement that encourages the harmonisation of standards based on international standards, technical barriers to trade are still numerous and diverse. The governments of member countries must establish national enquiry points at the WTO so that manufacturers and exporters can know what standards are effectively in force in the markets to which they seek to export. The member countries debate regulations and their implementation within the Committee on Technical Barriers to Trade.

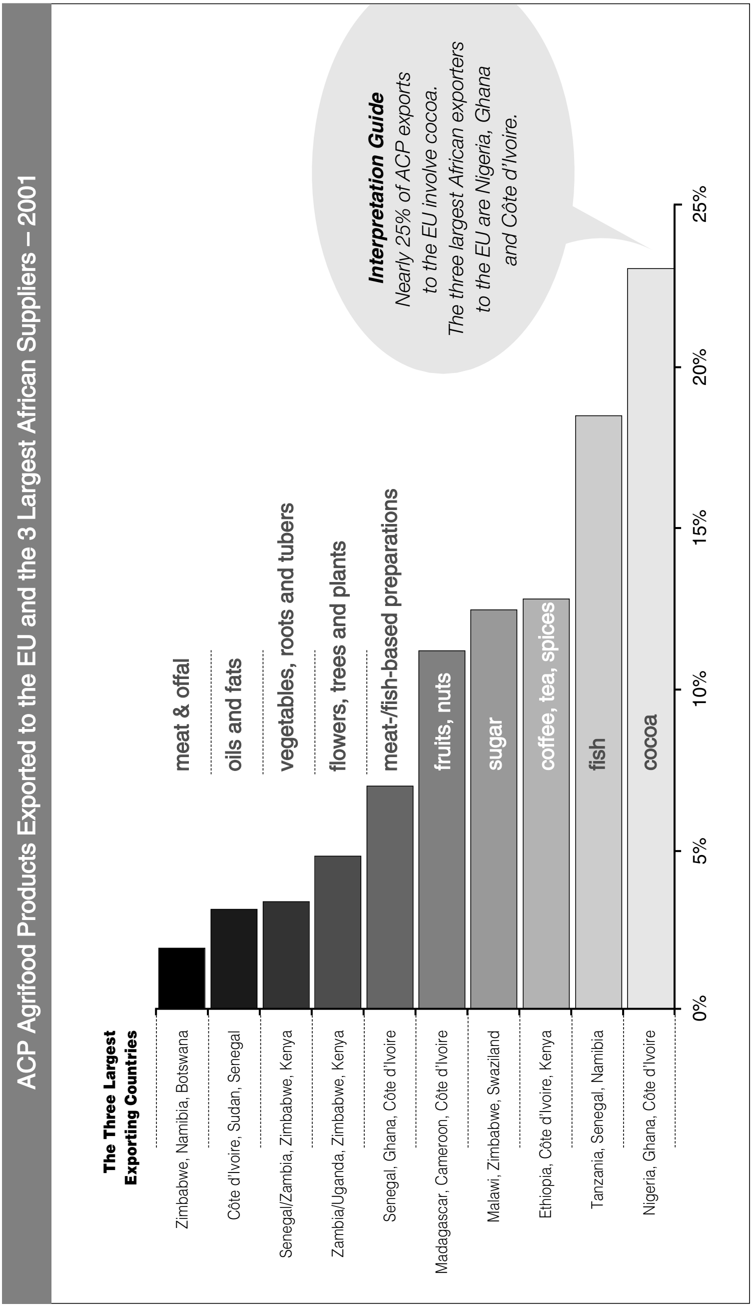
AFRICAN EXPORTING COUNTRIES AND STANDARDS

Compliance with Standards

African countries are faced with the issues of standards on the world market and the EU market. All products sold on the European market must meet quality standards and, if merchandise does not comply with these standards, it cannot enter the European territory and be sold on the market there.

For example, pineapple sold on the EU market must be of a certain size and have a high sugar content, its flesh must be a specific colour, etc. Pineapples that do not meet these standards are not allowed to be sold on this market.

Generally speaking, to meet such standards, producers must conduct relatively in-depth research on plant species selection and production conditions. This research is costly and African farmers do not generally have the necessary resources to conduct it. African farmers are, therefore, constantly exposed to the risk of being eliminated from the market for non-compliance with standards.



Source: Eurostat, in CTA 2003

The Case of a Smallholder Growing Okra in Uganda

Since 1990, following the drastic drops in world market prices for traditional cash crops (coffee, tea, cotton), farmers in Uganda have been turning from these traditional cash crops to other marketable non-traditional crops such as okra. A crop with high value added, okra is gaining momentum among farming communities, especially in the central districts of Uganda. It has a short gestation period (45 days) and can be harvested for over a month. The markets for this crop are in Asia and Europe, and only small amounts stay on the domestic market.

Although it is an economically interesting crop for households, farmers face numerous challenges in marketing it, one of which is the issue of quality standards.

Like any crop on the world market, okra has quality standards that farmers must meet. These criteria include a prescribed size of the pod (shorter and slightly thicker than an average middle finger). The crop has to be harvested in the morning before the morning dew dries up in order to maintain its freshness. As refrigeration facilities are not available in the villages, maintaining the freshness of the produce is a challenge for farmers. The pod has to be perfect (i.e. without cracks or scratches of any kind). Farmers do not have proper harvesting equipment, and it is difficult for them to meet these simple requirements.

Okra is bought by exporters based in the capital, approximately 60 kilometres from the production areas. The poor road network (bad roads full of potholes) and the lack of reliable transport, combined with a lack of proper packaging materials, affect the quality of the produce. Very often, exporters reject more than half of the produce because it is bruised and not fresh enough. Another reason for rejection is when the pods are bigger than the prescribed size. Since the local market for okra is limited, farmers frequently lose their produce due to failure to comply with the prescribed quality standards.

In the case of okra, private standards are higher than public standards. In reality, (private) buyers' requirements are more stringent than those of the WTO.

The Importance of the Private Sector

In addition to these standards determined by states or international organisations, there are standards set by private buyers. To satisfy their customers, the buyers from developed countries usually define specifications for the products they buy. These specifications can deal with health and safety rules, but they may also cover product properties or packaging (size, colour, etc.).

Finally, more and more buyers from developed countries demand that their producers respect social or environmental rules, following the changes in the sensibilities of consumers in developed countries. For example, social and environmental labels are proliferating for cut flowers, and many buyers require them as a condition of purchase.

Buyers' rules are always stricter than those set by states. In practice, the WTO defines minimal standards which are supplemented by those set by states, and then by those set by buyers.

passion fruit in Congo Brazzaville

Bénédicte Hermelin

STANDARDS ON LOCAL MARKETS

Even when they exist, standards are not always systematically verified on local African markets.

Local Standards to Protect Consumers

African countries can use standards to ensure better protection of their consumers in the face of uncontrolled imports of poor quality food products on local markets. Indeed, products that are often seen as waste in Western or Asian exporting countries are nevertheless exported to African countries.

Thus, in 2001, the government of Congo banned the importing of chicken feet and turkey rump, which are seen in exporting countries as waste to be used to produce cattle feed or pet food (dogs, cats). This measure was taken in the aim of protecting consumers' health but was not based on a scientific analysis of the risks.

Similarly, since the start of the bird flu epidemic, numerous countries have banned poultry imports for health reasons. Thus, in 2005, Senegal decided to ban imports of live poultry and poultry cuts of all origins.

Specific, Difficult to Implement Standards

Establishing standards requires research to be conducted in professional and equipped laboratories that have qualified staff. Creating such laboratories is a costly investment. Because of this, specific domestic standards are limited in Africa.

Some of the existing standards on local markets take their inspiration from the references of industrialised countries. Their influence on local consumption is poorly evaluated. Most agrifood processing businesses that are supposed to comply with these standards are small and micro enterprises. The standards from industrialised countries are not suited to these types of actors who, what is more, do not have the necessary capacities for compliance.

Locally-established standards are little backed by scientific studies. In addition, they are often seen as "poor people's" standards, or as "discount standards". Finally, they are difficult to negotiate and apply because of the lack of structured professional organisations that are seen as legitimate in the domestic agrifood sector.

In some countries, there are health and safety services that require certain cleanliness conditions be met for the public sale of products. For example, bread or cakes sold in the street must be covered to prevent dust from contaminating them.

Finally, other more informal criteria apply to local products. They are not the result of laboratory studies but come from a tacit agreement between producers and consumers. According to practice and tradition, the quality and presentation of products must have certain characteristics or consumers reject the products.

An Opportunity Offered by the Regional Scale

Given the lack of resources at the national level, one possibility for African countries is to use standards created on the regional scale. Thus, pooling their resources would allow them to create structures in charge of elaborating African quality standards within regional integration organisations. The recognition of these standards elaborated on a scientific basis, regionally, could be negotiated with other countries and regional groups.

Nevertheless, it is appropriate to examine priorities when it comes to consumer protection. Enforcing internationally-defined standards requires one to have a strong capacity for analysis and verification. It may be more effective to promote educational policies, and good health, safety and conservation practices to improve the level of food safety for products sold on African markets.

Stages therefore need to be envisaged to gradually establish standards for African products because these standards go hand-in-hand with a country's economic development process. This question should be the subject of negotiations within the WTO.

Joint Elaboration and Promotion of Standards on Typical Products Destined for Local Markets in West Africa and for Export

Farmers' organisations and small and medium businesses make considerable effort to provide consumers with local processed food products. One can note real progress in the quality (health and commercial) and packaging (presentation or market preparation) of products in a certain number of countries in the West African sub-region. One sign of this is the growing success of these products each year during the International Agriculture and Animal Resources Exhibition (FIARA) that has been held in Dakar, Senegal, every year for eight years. Consumers are more and more in search of local products that are presented in a form often as attractive as that adopted by imported products.

Whether it be for cereals such as millet, or for milk, there are multiple uses of traditional forms of preparation to meet an African demand for local products that bring together typical features, conservation, cleanliness, and speed of cooking. However, this demand remains exacting when it comes to product quality (taste and health) and packaging. Stores in cities, neighbourhood shops, and markets are starting to be well-stocked. An export market is developing, notably among the African diaspora in Europe and the United States.

Shea (*Vitellaria paradoxa*) is a tree that grows only in Africa. Its nuts provide oil and butter that are generally used in food and for healing. Its export potential is great, all the more so as, since 2003, the EU has authorised manufacturers to incorporate 5% of vegetable fat, including shea butter, in chocolate instead of cocoa butter (forty to sixty thousand tons of shea are used annually by the EU in candy and chocolate production). The sector is also an export opportunity, notably towards Japan and Europe.

With an annual production of nearly eighty thousand tons, shea is the third ranking export product in Burkina Faso. Shea is also the third largest currency-providing resource, after cotton and cattle. Standards have newly been defined but they are not enough to foster shea butter export without support for producers' groups and a system of verification and incentive, especially in a context where importers have a tendency to set their own private "standards".

For countries such as Senegal, there is also a real potential to develop the sale of local processed cereals on urban markets and export markets. Among the diaspora, there is a high demand for products such as millet flour, meal or couscous, and other rolled products. The same is true for maize. *(cont.)*

However, the lack of standards for certain products, application decrees making standards mandatory, and a support system to set up quality management and self-verification procedures raises a problem for sale even domestically. This results notably in a lack of homogeneity in quality (colour, texture, shape and size of grains, cleanliness, smell, taste of the final cooked product, etc.) and in the application of European standards that are unsuited to fermented products such as millet couscous destined for export. This is a real hindrance to the development of the market for these products.

Thus, the joint production of standards involving state services, economic actors (including those in the crafts sector and SMEs), and research and development remains a challenge for West African countries. It must be accompanied by implementing support systems to help small producers adopt good production and processing practices. The joint production of these standards also goes hand-in-hand with the elaboration of domestic and international legislation that recognises the specific characteristics, typical features, and quality of these products and protects their geographic origin and vernacular names to avoid abusive appropriation by manufacturers and distributors.

KEY POINTS

- *Standards are rules imposed on the production and marketing of merchandise so as to guarantee the quality of the goods sold and consumers' safety.*
- *More and more, standards designed to protect consumers' health are becoming ways to protect domestic markets from foreign products.*
- *At the WTO, two agreements address standards: (1) the Agreement on Sanitary and Phytosanitary Measures (SPS Agreement), and (2) the Agreement on Technical Barriers to Trade (TBT Agreement). They do not create new standards, but rather encourage member countries to use already existing international standards, notably those in the Codex Alimentarius.*
- *These two agreements set forth rules on applying standards with the aim of avoiding their use for protectionist purposes.*
- *To protect the health of people and animals, or to preserve plants, the SPS Agreement authorises countries to take specific measures. It also provides for the use of temporary measures of precaution (the precautionary principle) when the scientific proof of a risk is uncertain.*

(cont.)

- *Compliance with international standards and, therefore, access to the international market, is a costly endeavour for African operators who do not have the resources for this.*
- *In addition to these standards set by states or international organisations, there are standards set by private buyers, which are sometimes stricter than those of the former.*
- *The sanitary quality of local products would benefit from the creation of local standards, but this is hampered by the often informal nature of the market, the cost of research and standards work, and the absence of sets of references other than those produced in industrialised countries.*
- *The regional scale and the consequential reduction of costs is a solution for the local elaboration of standards, and better production and processing practices can also improve the level of safety for products sold.*

Sources

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CEPII, Disdier A., Fontagné L., Mimouni M., February 2007, *The impact of regulations on agricultural trade: evidence from SPS and TBT agreements.*

Eurostat, epp.eurostat.ec.europa.eu

The Agreement on Intellectual Property Rights

Intellectual property rights are designed to protect authors and inventors from imitation and copying. They are needed to foster innovation and the spread of technologies. The WTO has a special agreement on intellectual property: the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

THE INTELLECTUAL PROPERTY RIGHTS AGREEMENT AND PLANT VARIETIES

Intellectual property rights (IPRs)—patents, copyright, trademarks, etc.—were conceived at the end of the 18th century and are linked to industrial development. The owner of the patent must register his or her invention so that the practical knowledge is revealed after a period of time.

Applying IPRs (rights that had previously covered industrial inventions exclusively) to plants began in the 19th century when plant selection became a profession and activity in its own right in developed countries. Laws protecting plant varieties were then developed in several countries.

In 1961, a group of countries adopted an international convention, the International Convention for the Protection of New Varieties of Plants (the UPOV Convention). This convention recommends using Plant Variety Certificates (PVCs) to protect new plant varieties.

With the rise of biotechnology, notably in the agricultural field in the 1980s, the IPR issue took a new turn. Genetic resources became the new "green gold". Given the considerable financial means that need to be devoted to research and development for biotechnological innovations (including the production of genetically modified organisms, GMOs), recourse to patents has spread. Patents thus coexist with plant variety certificates.

Plant Varieties

A plant variety is a newly obtained plant variety that is distinguished from analogous, already known varieties by an important, precise and stable characteristic.

Biotechnology

Biotechnology consists of a set of sciences and techniques that apply to living organisms or to other living or non-living materials.

Genetically Modified Organisms (GMOs)

A GMO is an organism whose genetic composition has been modified using the transgenesis technique, that is to say by modifying the expression of one of its genes or by adding a foreign gene.

Patents

A patent grants exclusive rights to an invention (a product or procedure) that provides a new way of doing something.
For patent holders, patents guarantee that the invention will be protected. This protection is granted for a limited period of time, generally twenty years.

Principles

The TRIPS Agreement entered into force at the start of 1995, with the Marrakech Agreement. The TRIPS Agreement aims to harmonise the legal framework for intellectual property across WTO member countries by bringing the various protection regimes in line with those in place in high-technology countries.

The TRIPS Agreement covers two branches of intellectual property: copyright and industrial property.

In the agricultural sector, it is mainly the notion of industrial property that applies. The Agreement specifies the primary elements of protection: the subject of the protection, the rights conferred on the plant breeder, the admissible exceptions to these rights, and the minimum duration of protection.

Among these IPRs, patents and geographical indications can apply to agriculture.

Developing and least developed countries receive special and differential treatment: they have more time to transpose the TRIPS Agreement into national laws—five years for developing countries and ten years for LDCs.

> ***Copyright***
>
> *Copyright comprises the full set of rights that creators have over their works.*
>
> ***Industrial Property***
>
> *Industrial property comprises the rights to use an "industrial creation": trademarks, patents, inventions, industrial designs and models, designations of origin, and indications of source.*
>
> ***Plant Breeder***
>
> *The plant breeder is the person who created a new plant variety.*
>
> ***Geographical Indications***
>
> *A geographical indication is a sign used on products of a specific geographic origin that have qualities or a reputation due to their place of origin.*

Patenting Life Forms

Article 27.3.b) of the TRIPS Agreement is where agriculture, biodiversity and intellectual property rights come together. In this article, the TRIPS Agreement recognises the right to patent life forms. States' regulations must therefore allow:

- patents to be taken out on:
  - micro-organisms (genes, for example),
  - microbiological procedures, and
  - non-biological procedures; and

- patent implementation or the implementation of an "effective ***sui generis*** **system**" for plant varieties (given combination of genes).

The UPOV Convention is viewed as a *sui generis* system as the term is defined in TRIPS. The International Union for the Protection of New Varieties of Plants (UPOV) does not patent plant varieties but confers plant variety certificates (PVCs). As TRIPS authorises the UPOV system, it consequently accepts the use of these certificates to protect plant varieties.

The **Sui Generis *System***

Sui generis is a Latin legal term that means "of its own kind". It describes an original legal situation that cannot be classified in an already existing category and therefore requires original and specific texts to be created.

Type of Protection Authorised by TRIPS	Patent	Plant Variety Certificate
Genes	yes	
Procedures	yes	
Plant Varieties	yes	yes

Patents

Patents confer on their holders an exclusive temporary (generally twenty years) right to remuneration and protection from competitors likely to copy, manufacture, use, sell or export products using the same innovation procedure. They are valid in the territories where they were registered. When time is up, the patent enters the public domain, and anyone can use the invention. Patent application, examination and delivery procedures vary from country to country.

Three conditions must be met for an invention to be patented. It must have the following characteristics:

- new: the invention must exceed the current state of technology and knowledge;
- inventive: the invention must not be obvious for professionals in the corresponding branch; and
- industrial applicability: the product obtained must be industrial in nature.

With the rise of genetic engineering in the 1980s and the development of GMOs, the number of patents taken out first on microorganisms then on transgenic plant varieties and animals increased considerably.

For GMOs, patents cover the donor organism's gene of interest, and use of this gene is therefore conditional on payment of a sum of money (royalty) to the patent holder.

Plant Variety Certificates

Under the UPOV Convention, a plant variety can be protected with a plant variety certificate if it is:

- distinct: the variety must be different from known varieties of the same species,
- uniform: it must not give rise to secondary varieties,
- stable: it must maintain itself through each reproductive cycle, and
- new: it must not have been sold in the territory where the application is submitted.

Once these criteria have been taken into account, the variety is named.

The certificate holder receives exclusive right to exploit his or her variety. The length of protection varies in function of the species (twenty to twenty five years). All users must pay a user's fee (royalty) to the plant breeder.

The rules on delivery of plant variety certificates set by the UPOV have been modified several times: in 1972, 1978, and 1991. When implementing the TRIPS Agreement, developing countries tend to favour the 1991 version.

Unlike the 1978 version, this version is similar to the patent system:

- Under the 1991 UPOV Convention, plant breeders can no longer freely use a variety protected by a plant variety certificate to create a new variety or an "essentially derived" variety. They must pay a royalty to the initial breeder. Free access to genetic resources for research is, in this way, limited.

- Under the 1991 UPOV Convention, farmers are no longer exempt from paying royalties if they use part of their harvest to resow their own fields (farm seeds). This famous “farmer’s privilege” became facultative, and the production of farm seeds may become illegal. The plant variety certificate holder’s monopoly is potentially extended to the product of the harvest. Farmers’ free access to genetic resources is shrinking.

TRIPS IMPLEMENTATION IN AFRICA

Regional Frameworks

As members of the WTO, African countries must implement all of its agreements, including the TRIPS Agreement.

In Africa, two regional organisations deal with intellectual property rights:

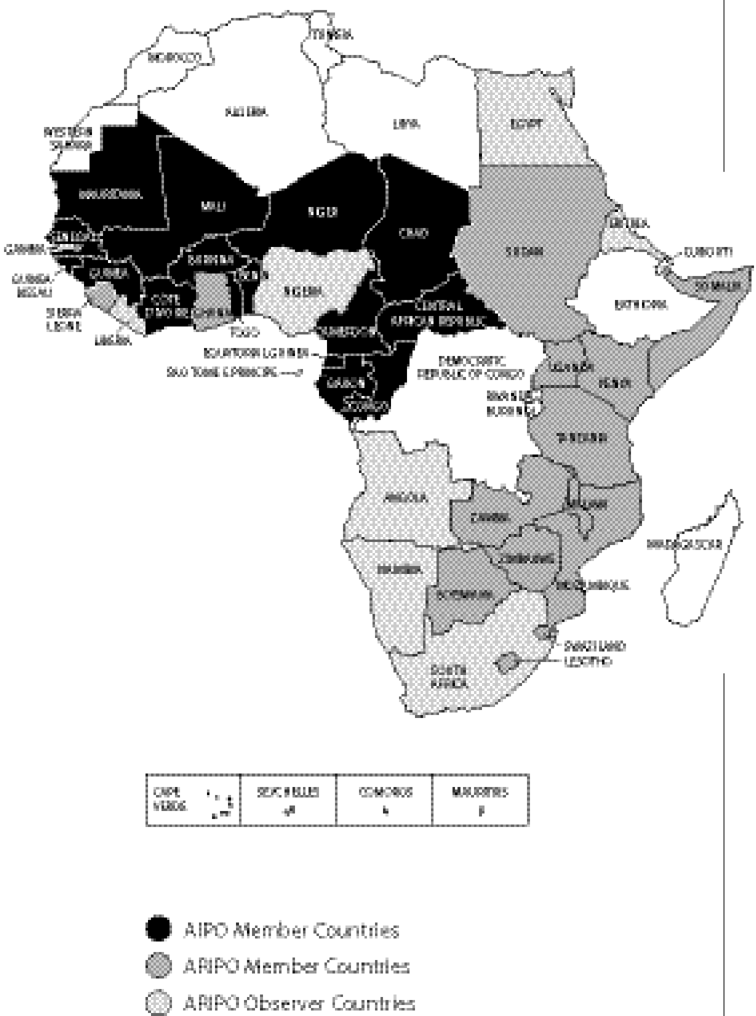
- the African Intellectual Property Organisation (AIPO), and
- the African Regional Intellectual Property Organisation (ARIPO).

The AIPO brings together mostly French-speaking countries in West and Central Africa. Intellectual property rules were defined in the Bangui Convention (1977), which was revised in 1999 to bring it into compliance with the TRIPS Agreement.

ARIPO, for its part, brings together fifteen countries in English-speaking Africa and manages intellectual property under two principal protocols: the Harare Protocol and the Banjul Protocol.

Of these two organisations, only AIPO deals directly with protecting plant varieties. The Bangui Convention states that plants and plant varieties cannot be patented, unlike transgenic plants whose gene sequences can be protected with patents (in compliance with the requirements of the TRIPS Agreement). Each of the AIPO member states has committed to following the 1991 version of the UPOV Convention. This convention acknowledges the “farmer’s privilege”. Farmers can save and reuse seeds stored after the harvesting of crops sown with patented varieties on the condition that they do not grow them for commercial purposes. However, the criteria to determine what constitutes a commer-

Map of AIPO and ARIPO Member Countries in Africa



Source: OAPI, ORAPI

cial purpose must still be clarified. Depending on which definition is retained, the consequences for farm incomes and food security could be considerable.

Within ARIPO, no provisions specifically address protecting plant varieties. The member countries are therefore free to pass their own laws in this field.

National Laws

Very few African countries have operational legal systems to protect plant varieties. At the end of 2006, only South Africa and Kenya had effective regulations to protect plant varieties, based on the UPOV Convention (the 1978 version). For their part, the AIPO member countries have not yet transposed the Bangui Convention on new plant varieties into national laws.

The African Union's Model Law: Free Access and the Non-Patentability of Life Forms

The model law provides a full set of principles that African countries can use to establish their laws on access to genetic resources and the sharing of the benefits, the protection of new plant varieties, and the protection of traditional knowledge.

Concerned about the impact of IPRs on life forms, the countries in the African Union laid down, in 1998, the foundations for a system of access to genetic resources and the protection of new plant varieties through a model law "for the protection of the rights of local communities, farmers and breeders, and for the regulation of access to biological resources".

With this law, states seek to:

- find a fair balance between protecting new plant varieties using IPRs and preserving vital socioeconomic interests such as food security or biodiversity conservation; and
- ensure a fair and equitable distribution of the benefits derived from the use of genetic resources (for commercial purposes).

Other Relevant International Agreements

Implementation of the TRIPS Agreement must take two other international agreements into account:

- the 1992 Convention on Biological Diversity (CBD), and
- the FAO's 2001 International Treaty on Phytogenetic Resources for Food and Agriculture.

How do each of these agreements treat access to genetic resources?

The CBD demands, among other things, that states adopt measures to facilitate access to genetic resources and the fair and equitable sharing of the benefits arising from the use of these resources. Access to genetic resources is regulated bilaterally. States have a sovereign right to their resources. The CBD's objectives also include the conservation and sustainable use of biological diversity.

For its part, the FAO's Treaty defines a multilateral system of access to genetic resources for more than sixty-four major crops and forages. Access is regulated by standard material transfer agreements. This treaty acknowledges the contributions that farmers and their communities have made and continue to make to the conservation and development of genetic resources.

The model law is where the TRIPS Agreement, the Convention on Biological Diversity, and the FAO's Treaty on Phytogenetic Resources for Food and Agriculture meet.

When it comes to IPRs, the model law proposes a system similar to that in the 1978 UPOV Convention. The research exemption and "farmer's privilege" are unconditionally acknowledged. In this way, the model law complies with the FAO Treaty that acknowledges the "farmer's privilege", that is to say the right to resow grain from one year to the next. Varieties can be protected with a PVC to the extent that they are distinct, stable and sufficiently uniform.

The component on access to genetic resources and sharing the benefits follows the same logic as that in the Convention on Biological Diversity. The model law recognises states' sovereignty over their resources and the importance of the traditional knowledge of communities involved in the conservation and sustainable use of biodiversity. Those who use genetic resources must obtain prior informed consent from the state and communities concerned.

No patents can be obtained on life forms (micro-organisms, plants, animals) or on biological processes.

Although the model law is sometimes presented as a *sui generis* system as defined by the TRIPS Agreement, its compatibility with the TRIPS agreement is also in question.

Given that few laws have yet been elaborated in these fields (access to genetic resources, protection of new plant varieties, etc.), the model law is still little used.

INTELLECTUAL PROPERTY RIGHTS AND AFRICAN AGRICULTURE

Seeds in Africa

PVCs and patents were elaborated in industrialised countries to consolidate the growth of the seed industry and certified seed market, to the detriment of “farm seeds”.

The World Seed Market

Today, the total value of seeds used worldwide amounts to approximately fifty billion euros, thirty billion of which give rise to commercial transactions and twenty billion of which correspond to farm seeds. Of these thirty billion, international trade is said to represent 3.6 billion euros, or approximately 7% of world seed production and 12% of commercial value. International trade deals mostly with horticultural seeds (1.2 billion euros), followed by maize (530 million euros), forages, potatoes (400 million euros), beets (300 million euros), and wheat seeds (75 million euros). Seed breeding and production are increasingly concentrated: twenty companies have a combined turnover of more than ninety million euros and the six largest companies hold nearly one quarter of the market.

Source: Science & Décision, www.science-decision.net

Xavier Le Roy (IRD)

sorghum seeds in Senegal

In Africa, the informal system predominates when it comes to seeds. Farmers have a long tradition of producing, saving and exchanging seeds. The varieties used are generally derived from "mass selection". The seeds obtained via mass selection contain heterogeneous individuals, which gives them interesting faculties of adaptation and resistance.

Seeds produced by African farmers represent nearly 80% of total seed production in Africa. In Tanzania, only 2% of maize is grown from certified seeds. Most crops are local food crops, little sold. Seeds are saved from one year to the next and exchanged among farmers in the community.

Mass Selection

Mass selection consists of choosing those plants that seem the most interesting in a population and using their seeds to sow the following crop. The operation is repeated generation after generation, which makes it possible to improve crop performance progressively. The plants obtained are neither identical to the previous generation nor identical to each other (heterogeneity and instability).

The Uganda Seed Market

In Uganda, over 85% of the country's 26 million people derive their livelihoods from agriculture, which also accounts for over 41% of the national income. In this sector, a majority are small farmers whose agricultural production and food security needs are highly dependent on seed saving and sharing.

Farming communities in Uganda, as in most parts of Africa, view saving seeds as a duty and sharing them as a centuries-old cultural practice. As a result, these communities have managed to establish their control over seeds as a survival mechanism.

Small farmers are therefore major custodians of these rich biological resources since more than 90% of seeds currently being used in Uganda are farm seeds. During planting time, farmers exchange, recycle or replant seeds and planting materials without any restrictions, thus providing themselves with an economic opportunity to sustain their livelihoods. By allowing farmers to harvest, save, store, exchange and replant seeds without hindrance, these practices and this working environment make up the core of what is commonly known as "farmer's privilege".

Uganda, like most developing countries, is finding it very difficulty to apply the rules of the TRIPS Agreement. The increasing control of the seed industry by international corporations is not in the interest of Ugandan farmers, and thereby threatens the food security of Ugandans.

GMO seeds are being introduced in Uganda under the guise of "high added value seeds". But the country does not have the legal and scientific means to effectively analyse and control the proliferation of GMO seeds on its territory. Laws addressing this issue (plant variety protection and biosafety bills) are being elaborated. They are tilted more towards the protection of corporations than of farmers. The private sector is allowed to produce, distribute and market seeds, but there is no government agency responsible for quality control.

In 2005, the Ugandan government sold off its only seed company to two private companies. This privatisation of the seed industry has already taken a heavy toll on farmers.

Since the legislative process for intellectual property rights in Uganda is not yet finalised, there is a need to take a cautious approach and establish laws that prevent the monopolisation and privatisation of genetic resources that have always belonged to local communities. Even more importantly, unethical use of scientific and technological research to impose IPRs on life forms (micro-organisms and plants) should not be allowed.

Formal systems, inspired by the Western seed production and distribution model and set up by states, generally imply:

- research facilities in charge of creating and producing seeds,
- a national seed service in charge of producing certified seeds,
- a seed quality control and certification body, and
- farmers who are potential seed buyers.

But countries where the formal system functions properly are rare because of farmers' low purchasing power, the low yields of the varieties offered by research, the difficulty assessing the seed supply and demand, etc. Private sector participation is very low, notably because of the wide variability in the demand for seeds and their rather unattractive prices (primarily when it comes to food crops).

Given the absence of seed markets and the predominance of farmer innovation, the use of PVCs seems unsuited to food crops. In practice, it turns out that, in Africa, PVCs are taken out primarily on horticultural plants (notably fruits, vegetables and flowers), export crops whose production systems are relatively controlled.

Impacts on Farmers' Practices and Food Security

One of the major stakes of IPR agreements for African farmers deals in particular with the "farmer's privilege".

The existence of PVCs and patents has consequences on access to seeds because they limit farmers' legal ability to make their own seeds. Within the APIO, the "farmer's privilege" is theoretically acknowledged. However, the application criteria must still be clarified.

Under the 1991 UPOV Convention (the system applied mainly in South Africa, Kenya and AIPO member countries), the unauthorised sale of seeds stored after harvesting a crop grown from the seeds of a protected variety is forbidden. Yet, in practice, when farmers sell part of their harvest in markets, they do not keep the product of protected seeds separate from that of farm seeds.

In addition, the royalties paid in exchange for use of a PVC-protected or patented variety represent an economic cost that farmers can difficultly support given their poor market insertion. Because of the importance of seeds as the first link in the food chain, it is indispensable that farmers' seed autonomy be preserved.

The rise in power of patents on life forms also intensifies developing countries' (and African countries' in particular) fears of seeing their local genetic heritage confiscated by northern industries. In West Africa, the development of transgenic plants, notably cotton, causes farmers to worry and fear the privatisation of local genetic heritage. Civil society is getting organised to demand that local genetic heritage be protected.

A Social and Citizen Movement on GMOs: The Coalition for the Protection of African Genetic Heritage

In 2003, several West African NGOs, farmers' organisations (Accord, INADES-Formation, the Jinukun Network, the national federation of Burkina Faso farmers' organisations, ENDA Third World, etc.), active on issues pertaining to the patentability of life forms and GMOs, decided to create a coalition to protect African genetic heritage, called "COPAGEN".

COPAGEN lobbies against the patentability of life forms that is, according to it, a threat to biodiversity and, by extension, the survival of grassroots communities. It believes that domesticated genetic resources, improved and saved by farmers, are part of humanity's shared heritage and should be placed at the service of everyone for the wellbeing of current and future generations.

This coalition's objective is to lead West African decision-makers to made decisions, draft, vote and enforce laws that protect Africa's genetic heritage and the associated knowledge, and that guarantee the strategic interests of local communities according to the African Union's two model laws on biological resources (those on access to genetic resources and on biotechnological safety).

To succeed in its mission, COPAGEN conducts public opinion awareness-raising activities, and informs and lobbies national and sub-regional decision-makers. Among COPAGEN's main activities, one can cite the establishment of training modules for the focal points of national platforms, farmer leaders, and communicators. The ultimate goal of this trainers' training is to inform local populations and producers. For the time being, these actions are limited to WAEMU countries. In the various countries of this economic area, NGOs, farmers' organisations, consumers' associations, unions, women's organisations, and member resource people form the national coalition. INADES-Formation provides the general secretariat and regional coordination. It facilitates communication between the member countries and organisations, and acts as a liaison with other African sub-regions and other regions of the world.

Contact: Regional Focal Point: INADES-Formation International, email: ifsiege@inadesfo.ci

Finally, the PVC delivery criteria on variety uniformity and stability tend to direct plant improvement towards industrial-type agriculture and the creation of high-yield varieties that require massive use of inputs. In developed countries, plant variety certificates lead indirectly to lowering the diversity of cultivated varieties. The same phenomenon can be feared in Africa where the cultivated varieties (food crops) are rather rustic, heterogonous, unstable, and selected to be suitable for the characteristics of the environment. When it comes to export crops (cotton, groundnuts, etc.), the situation is different because uniformity and purity conditions must be met to satisfy the standards established by state regulatory and verification services.

KEY POINTS

- *In 1961, the International Convention for the Protection of New Varieties of Plants (the UPOV Convention) was adopted. It recommends the use of plant variety certificates (PVCs) to protect new plant varieties. It was revised in 1978 and 1991.*
- *In 1995, the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) came into force. This WTO agreement deals with intellectual property rights, including those applicable to plants.*
- *Article 27.3b of TRIPS allows the use of patents to protect genes, procedures and plant varieties. Plant varieties may also be protected by a* sui generis *system, such as the UPOV's system.*
- *The consequence of the establishment of patents and PVCs (1991) is to limit access to seeds and plants. This creates a basic problem for farmers and researchers, as they can no longer freely use seeds and plants for, respectively, growing their crops and their research.*
- *The use of PVCs and patents requires that a formal system of seed research, production and distribution exist. In Africa, given the absence of such a system and the predominance of farmer innovation, the application of these IPRs on plant varieties seems inappropriate for food crops.*
- *In sub-Saharan Africa, the African Intellectual Property Organisation (AIPO) for French-speaking countries addresses plant variety protection and acknowledges the "farmer's privilege": under certain conditions, farmers can save and reuse seeds stored after the harvesting of crops sown with protected varieties.*

(cont.)

- *In 1998, the countries in the African Union laid the bases of a system of access to genetic resources and of new plant variety protection with a law: the African Union's Model Law. The "farmer's privilege" is allowed, as is free access to genetic resources for research. The patentability of life forms is denied.*

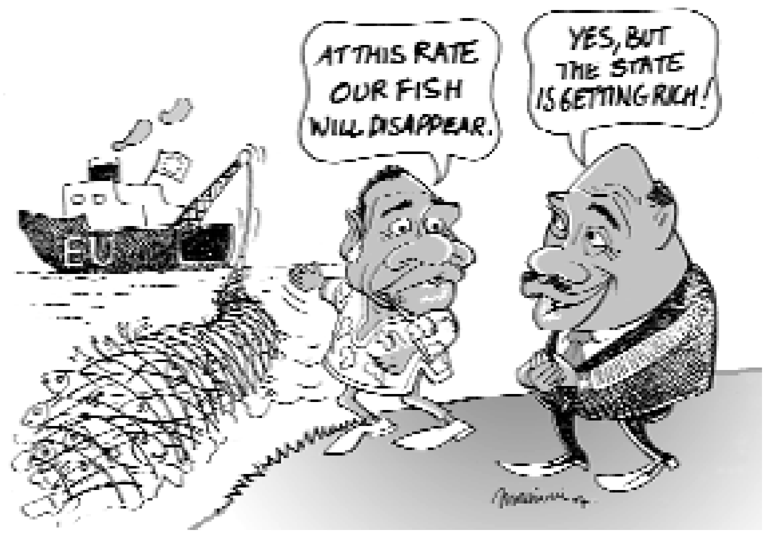
Source

World Intellectual Property Organisation, www.wipo.int

Non-Agricultural Products in the WTO

The WTO has a specific definition of agricultural products, which is very different from the one habitually used when speaking of agricultural activities in Africa.

According to the WTO, fishing products and timber, traditionally classified as agro-sylvo-pastoral activities, are not agricultural products. As such, they are not subject to the rules of the Agreement on Agriculture, but to the rules of the General Agreement on Tariffs and Trade.



THE GENERAL AGREEMENT ON THE TRADE IN GOODS

The General Agreement on Tariffs and Trade (or GATT) is the oldest trade agreement, as it pre-dates the WTO (see factsheet 2). It dates from 1947, and has been modified with each round of negotiations. It applies to all traded goods, except for agricultural products and textiles. The textile sector is a vital industrial sector. It is one of the first sectors to develop during a country's industrialisation, and employs a large labour force. When the GATT was signed, developed countries wanted to protect themselves from competition from developing countries where labour was less expensive.

Agricultural Products According to the WTO

According to the WTO, all food products including beverages but excluding fresh or processed fish and shellfish are considered to be agricultural products. Also considered to be agricultural products are tobacco and cigarettes, leather and hides (but not leather goods), and raw natural textile fibres (cotton, silk, linen, jute, etc.) (but not textiles).

The Textile Exception

Since 1974, a specific agreement—the Multifibre Agreement—has applied to the textile trade (not for raw cotton or wool, seen as agricultural products, but to the results of their processing, from thread on). Its aim was to protect the textile industries of developed countries from the increasing exports of developing countries through a quota system. Each developing country could export a given quantity of textile products (for example, fabrics, tee-shirts, pants, dresses, etc.) to this or that developed country. The quotas were not fairly distributed among exporting countries, as some had higher quotas than others. For example, Mauritius and Madagascar developed textile industries thanks to their export possibilities.

When the WTO was created, the decision was made to liberalise the textile sector progressively. This liberalisation has been complete since 1 January 2005: developed countries no longer have import quotas on textile products, and the market is completely free. Some countries, such as China, benefit greatly from this liberalisation. Today, China is the world's largest exporter of fabric and clothing, in all markets. One can even find *pagnes* made in China on African *(cont.)*

markets! However, most developing countries, such as Lesotho and Uganda, who developed their exports to the United States thanks to the African Growth Opportunity Act (AGOA) (see factsheet 8), cannot compete with China on the American market or on the markets of other developed countries.

Like the Agreement on Agriculture (AoA) (see factsheet 3), the Agreement on Trade aims to liberalise international trade. It is based on the WTO's general principles, such as the most favoured nation clause and the reduction of customs tariffs (see factsheet 2). Given that the Agreement on Trade has been in force longer than the AoA, customs duties are generally relatively low on goods: on average, they are less than 4% in developed countries, although they are still higher on agricultural products. As is the case for agricultural products, these tariffs are "bound" (set at a maximum rate) and countries cannot exceed these rates.

The Agreement on Trade also provides for:

- **Non-discrimination between domestic and foreign goods on the domestic market.** For example, one cannot levy a value added tax on imported fertiliser without also levying it on locally produced fertiliser.
- **A prohibition against dumping:** Goods may not be exported at prices below their sale price on the exporting country's domestic market. This subject is often a source of conflict between WTO member countries.

Shrimp, an Example of a Conflict over Dumping

The United States both produces shrimp and imports it from developing countries such as India and Thailand. In 2003, American shrimp producers complained about the drop in the price of imported shrimp, which was competing with them on their market. The United States government believed that the exporting countries were dumping, that is to say selling their shrimp at abnormally low prices. The United States therefore took anti-dumping measures by applying additional customs duties on imported shrimp to protect its domestic production.

- Lessen trade-limiting measures: These measures allow countries to control imports or exports. For instance, prior authorisation is needed to import agrochemical products in Uganda, and Kenya forbids the export of logs (unprocessed timber). The Agreement on Trade aims to reduce these types of measures.
- Regulate subsidies: As with agricultural products, subsidies are deemed unfair practices that confer an advantage on the goods that receive them.

THE WTO AND THE TIMBER TRADE

Like all the goods traded in the world, timber and forest products (raw or processed wood, rubber) are subject to the rules of the WTO's General Agreement on Tariffs and Trade. However, since wood is a natural product, the issue of its export for sale is linked to the issue of natural resource management.

WTO Rules

The primary measures concerned by the Agreement on Trade are export restrictions, market access, and corporate control measures.

- Export restrictions: Wood-producing countries often control their exports so as to avoid natural resource reduction and foster the export of processed products rather than raw timber (logs or round wood). Thus, Gabon levies a 15% tax on log exports, which is not levied on processed wood. These export taxes are authorised by the WTO, even though they go against liberalisation.
- Market access: For their part, importing countries favour raw timber imports (customs duties are often inexistent on these products), and tax imports of processed wood so as to foster their processing industries. In this way, developed countries levy on

Export Taxes

Export taxes are taxes levied by the exporting country on the export of one or more specific products.
Export taxes are often used by countries that export unprocessed raw materials to supplement state budgets and foster local processing.

average no tariffs on raw timber, and tariffs of less than 5% on processed products. This difference is sharper for African countries, who tax raw timbers imports up to 4%, and processed wood imports up to 15%.

- Corporate control measures: Timber producing countries regulate forestry companies' access to forests. For instance, in Gabon, forests belong to the state and forest exploitation is subject to authorisation and the payment of a license fee. The size of the concessions granted to each company is limited to 200,000 ha of forest. While foreign private companies can log forests, exporting timber is reserved for a state trading company that has a monopoly on sales outside the country. As is the case with export taxes, these measures are authorised by the WTO, as long as they are transparent.

Forest Resource Management

The timber trade represents less than 2% of the world trade in goods. A large share of this trade consists of illicitly exploited and/or sold wood—that is to say, trade that breaks the rules of sustainable forest management. The timber trade is already very liberalised, and the stakes for the development of trade no longer concern liberalisation, but rather resource protection. How can one foster a timber trade that allows sustainable forest resource management, and how can one prevent the trade in illegally harvested wood?

Civil society organisations have long demanded that the "hierarchy of standards" be reversed, so that social and environmental issues rank higher than WTO rules. This would make it possible to effectively control the illegal wood trade, and take into account the social rights of producers and workers.

In addition, other international agreements on the environment touch on the timber trade, such as the Convention on International Trade in Endangered Species of Wild Fauna and Flora, or the Convention on Biological Diversity (also mentioned in factsheet 6).

However, no WTO member country can refuse timber exports in the name of one of these agreements. Indeed, WTO rules are stronger than the rules in these agreements. In addition, not all WTO members have signed these agreements. For instance, Angola has not signed the CITES Convention. Similarly, the United States has not signed the CBD. This means that African countries cannot refuse to export timber to the United States because of CBD implementation, or that the EU cannot refuse entry on its territory of timber from Angola based on the CITES Convention.

Today, the issue of forest resource preservation, and notably primary forest protection, in developing countries is at the heart of international timber trade discussions. Initially carried by civil society and international environmental protection networks, this

International Agreements that Protect Forests

Several international agreements on the environment contain provisions on the timber trade or forest management.

- The CITES Convention (on international trade in endangered species of wild fauna and flora) aims to regulate international trade in certain wild animals and plants so as to prevent their extinction. Dating from 1975, it now brings together 169 countries. Only three African countries are not CITES member countries: Angola, São Tomé e Principe, and Tanzania. CITES controls the trade in a certain number of species, the list of which is regularly updated. Trade in some species (such as gorillas and lemurs) is forbidden, as these species are extremely threatened. No trees have been placed in this category. For other species, trade is only authorised with an export permit. This category includes African trees such as afrormosia (or obang) and red sandalwood.
- The Convention on Biological Diversity (CBD), adopted in 1992, aims to protect biodiversity and sustainably manage natural resources. Thus, it aims to protect primary forests and foster their sustainable use. CBD member countries commit to fighting the illicit trade in natural resources. Under the auspices of the United Nations Conference on Trade and Development (UNCTAD), countries adopted an International Tropical Timber Agreement. In January 2006, the text of this agreement was modified and now encourages countries to fight the illegal tropical timber trade, that is to say the trade in wood that does not come from sustainably managed forests.

All of these agreements show the international community's concern to fight deforestation and promote sustainable use of tropical forests. However, even though these texts are binding, they remain weak because, ultimately, they rely on the good will of countries and do not take precedence over WTO rules.

Source: CITES, CDB

issue does not give rise to binding regulations within the WTO. Indeed, WTO rules prohibit treating logs that come from sustainably managed forests differently than those that come from non-sustainable timber harvesting. Although there are codes of good conduct and labels today to differentiate between tropical wood based on their mode of management (sustainable forest or not), they are not binding. This means that loggers and wood users are not obliged to follow or use them. However, the NGOs that support these labels count on the responsibility of end consumers, notably in European countries.

Labels attest to forest management and make it possible to identify forest products from sustainably managed forests. Therefore, labels are also a commercial instrument that allows furniture sellers to meet a demand formulated by environmentally-conscious consumers.

An Example of Forest Labels:
The Forest Stewardship Council (FSC)

The FSC label was created by an NGO of the same name that brings together numerous environmental protection NGOs. It provides consumers with a guarantee that any wood product carrying this label comes from a certified well-managed forest.

Forestry companies that want to receive this label commit to following the rules of sustainable development. For example, this means respecting:

- the rights of local populations and communities to manage their forest resources;
- workers' rights: training, the right to health, the right to form unions;
- biological diversity: respect animals' breeding zones and important zones of biological diversity, manage waste to protect the environment, manage forests sustainably (replanting trees as others are cut down).

The FSC label applies to 84 million hectares of forest (less than 3% of world forests) in 82 countries. In December 2006, 2.4 million hectares of African forest (less than 3% of certified forests worldwide) were FSC-certified in 10 countries (Cameroon, Congo, Kenya, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Uganda and Zimbabwe).

Source: FSC

For its part, the European Union has developed a plan of action on forest regulation enforcement, governance and trade.

This plan aims, among other things, to act on demand by ensuring that Europeans use legal wood.

Reconciling the Environment with the Use of Resources

The Central African forest is made up mostly of the forest resources of the Congo basin that covers approximately 210 million hectares—that is, 26% of tropical rainforest remaining in the world and 70% of African forest.

After oil and on the same level as agriculture and stock farming, timber is one of the primary sources of income for the national economies of Central African countries such as the Central African Republic, Gabon, Congo, Cameroon and Equatorial Guinea. One can note that, with its 30 million hectares of forest, the Central African Republic alone has nearly 30% of total forest in the sub-region. The timber commodity chain is estimated to represent 7% to 10% of the sub-region's gross domestic product.

For all countries that have forest resources and use them for commercial purposes, the challenge is to strike a balance between this use and environmental preservation.

Indeed, Central Africa shares a heavy responsibility with the other regions of the world: preservation of the world's forests. The Central African forest is the planet's second largest ecological lung, behind that of the Brazilian Amazon. In addition, it contains a wealth of flora and fauna. Numerous Western and Asian private companies, which are not always supervised, exploit this forest. Ecological movements demand that the wood taken from Africa and sold in the West be certified to prevent the fauna from being destroyed by the random exploitation of plant species.


Cécile Thimoreau

drying fish in Chad

THE WTO AND THE FISHERIES TRADE

Like all the goods traded in the world, fishery products (fresh and processed fish and shellfish) are subject to the rules of the General Agreement on Trade.

As is the case with timber, the fisheries trade is closely linked to the sustainable management of fishery resources.

WTO Rules

WTO rules focus in particular on market access and fishery sector subsidies.

Market Access

> *Tariff Barriers*

On average, the customs duties levied on fishery products are low: 4.5% for all developed countries. But this level masks con-

Example of Customs Duties on Fishery Products

		TUNA		SHRIMP	
		Fresh or Frozen	Preserved	Fresh or Frozen	Preserved
United States	General Regime	$0.011/kg	tuna in oil: 35%	-	-
	Preferences Africa	$0.011/kg	-	-	-
European Union	General Regime	22%	24%	12%	20%
	Preferences Africa	-	-	-	-
Japan	General Regime	3.5%	9.6%	1.8% (fresh)	6%
	Preferences Africa	3.5%	6.4%	1.8% (fresh)	6%

Source: the Ministries of Trade of the United States and Japan, and the European Union's Directorate General Trade siderable differences between individual products. Indeed, some countries apply "tariff peaks", that is to say customs duties three times higher than average, especially on processed products.

> *Non-Tariff Barriers*

Numerous non-tariff barriers intervene in the fisheries trade: for example, rules on packaging and labelling, health and safety rules, health standards, procedures for entry into the country, etc. Sometimes, countries use these barriers as a way to protect their fisheries.

An Example of a Non-Tariff Barrier Applied to Sardines

In 2001, Peru lodged a complaint with the WTO's Dispute Settlement Body regarding a new regulation implemented by the European Union.

This new regulation made a distinction between the common sardine (which lives in the Mediterranean Sea and the North Atlantic Ocean) and the Pacific sardine. It prevented Peru from selling Pacific sardines in Europe under the name of "sardine".

Peru, however, showed that the international rule—that of the Codex Alimentarius—provides a wide definition of "sardine" that also applies to the Peruvian fish. Peru won and the European regulation was judged to not comply with the international text.

Subsidies

During the Doha Ministerial Conference in 2001, the decision was made to regulate fishing subsidies. Indeed, this sector receives support, especially in developed countries. This support can be:

- direct subsidies paid to fishery companies,
- indirect subsidies via the coverage of a certain number of expenses, and
- general services provided by the state.

Developing countries, notably African countries, also provide their fisheries sectors with help, particularly non-industrial fishing. This assistance can take the form of the state covering part of the cost of fuel (in particular when the price of oil rises sharply), or subsidies to develop non-industrial fishing (purchase of motors, boats or nets, for example).

Overly restrictive rules within the WTO can therefore penalise African non-industrial fishing.

European Union–Africa Relations

Fisheries Agreements

To allow its fishing fleet to conduct its activities in the coastal waters of non-European countries, the EU has signed bilateral fisheries agreements, notably with African countries. The agreements allow European boats to fish in the waters of African countries in exchange for the payment of financial compensation to remunerate access to the resource.

This type of fishing agreement is heavily criticised, notably by civil society, because it does not take into account the sustainable management of fishery resources. Yet, fish stocks are tending to diminish, and this trend is intensified by the use of non-sustainable fishing techniques such as the capture of young fish that have not yet reproduced.

New fisheries agreements have progressively been being set up since 2002. They are fisheries partnership agreements (FPAs) between the EU and developing coastal countries, including African countries. Unlike the previous ones, these agreements take into account the sustainable management of fishery resources. The aim is to progressively replace the simple access agreements with these FPAs. FPAs come with a financial contribution, which has two aims:

- compensate countries for the removal of fishery resources by the European fleet; and
- support supervision, control and stock evaluation activities so as to allow responsible fishing practices to develop (between 7% and 100% of the financial contribution, depending on the country).

In 2006, there were eleven fisheries agreements between the EU and African countries. These countries are: Cape Verde, Comoros, Côte d'Ivoire, Guinea, Guinea-Bissau, Madagascar, Mauritius, Mauritania, Mozambique, Senegal and Seychelles.

Trade Preferences

As with agricultural products, African fish have preferential access to the European market. In general, the customs duties levied on African fishery products are lower (or inexistent) than for other countries.

However, while it is relatively easy to determine the nationality of an agricultural product, it is more difficult to do so when it comes to fish. Thus, a fish is deemed African (and thereby enters the European market more easily) if the following four criteria are met:

1. the boat is registered as being of African or European Union origin;
2. the vessel's flag state is African or European;
3. at least half the crew is of European or African nationality; and
4. the boat is at least 50% owned by citizens of ACP countries or the European Union.

Rules of Origin

Rules of origin are criteria that make it possible to determine the source of a product. This is a crucial element when applying trade regulations, for instance when applying the preferential regime offered to African countries by developed countries.

How can one determine the origin of a shirt exported from Lesotho that was made with American cotton woven in China and assembled in Lesotho? If this shirt is deemed to come from Lesotho, it will enter the European market without customs duties. If it is deemed to be Chinese or American, it will be subject to a customs duty.

The general rule is to consider the source of the raw material, and the added value provided by the exporting country (here, Lesotho). If only a label is sewn onto the shirt in Lesotho, it will not be deemed to come from Lesotho; however, it will be merchandise from Lesotho if it is completely fabricated in Lesotho, even if imported fabric is used.

Fishery Resource Management

In addition to the bilateral fisheries agreements with the European Union that take into account the issue of natural resource management, other conventions and agreements apply to fishing, as they do forests. Thus, the CITES Convention and the Convention on Biological Diversity also address the fishery sector and say, for example, that the trade in sea turtles or coelacanth is forbidden.

There are also regional fishery organisations, under the auspices of the FAO, that aim to regulate fishing so as to preserve resources. In particular, the aim is to regulate captures, and thereby trade.

Coelacanth

The coelacanth is an ancestor of terrestrial vertebrates. Until 1938, the species was believed to be extinct, until a coelacanth was captured off the coast of South Africa. Lengthy research led to the discovery, in 1952, of its habitat: the Comoros archipelago.

Fishing in Senegal

Fishing holds a predominant place in the public policy on job creation in Senegal. It generates nearly 63,000 direct jobs (fishermen), 94% of which are non-industrial fishing jobs. With its numerous ancillary jobs, this sector employs nearly 15% of Senegal's working population, or approximately 600,000 people, thereby contributing heavily to reducing unemployment. But this sector's future is clouded by two problems: the fishery agreements with the EU and the increased exporting of production since the CFA franc was devaluated in 1994.

The fishery sector has contributed to state revenues through the various agreements with the EU since 1979. The Senegalese coast has one of the largest fish populations in the world. Thus, to benefit its fishermen, the EU negotiated with Senegal and obtained the right to fish in Senegalese waters. It provides financial compensation in exchange. Under the 2002-2006 agreement, the Senegalese state receives compensation in the amount of 12 billion CFA francs (more than 18 million euros) per year.

However, while these agreements help increase the Senegalese state's budget, they are criticised because they contribute to exhausting Senegalese fishery resources. "After having exhausted *(cont.)*

their fishery resources, Europeans come pillage our seas", declared the fishermen members of the Senegalese inter-professional artisanal fishing sector organisation (CONIPAS). Among the objections, one can cite the following arguments:

- no maximum level of fishing is imposed, for example through quotas;
- there are no restrictions on the fishing effort, for example through a maximum number of days at sea; and
- if Senegal introduces restrictions on fishing, the EU will provide less compensation. In this way, the last clause prevents Senegal from promoting sustainable fishing.

Fishing represents 2.5% of the GDP and fish have been, since 2000, the country's largest export product, ahead of groundnuts. To allow the sector to be sustainable, the maximum level of off-take is estimated at 420,000 tons. However, catches in Senegalese waters exceed this level by an average of 30,000 tons.

The Senegalese consume a great deal of fish. Consumption is 26 kg per person per year for Senegal as a whole (the African average is just over 8 kg per person per year). It is 43 kg for the Dakar region alone.

This relatively high level of consumption is seriously threatened. With the substantial gains hoped for on the international market following the devaluation of the CFA franc in 1994, we have seen the development of fishery product exports, to the detriment of domestic consumption.

Thus, during the fishing season for species with high commercial value, most fishermen abandon inexpensive fish, and these fish become less and less available for populations. Similarly, a growing volume of the fish traditionally eaten in Senegal is exported. Today, it is easier to find fresh fish, notably *thiof* (of the grouper family) at the Château Rouge market in Paris (France) than at markets in Dakar!

Until recently, cymbium, commonly called *yeet*, was only eaten in Senegal. A complementary ingredient in Senegalese cooking, it is used as a condiment. It notably gives the famous rice and fish dish, *thiébou dieune*, its unique flavour. Since this product has begun to be exported to Asian countries, notably China, it is becoming rare and beginning to disappear from Senegalese tables.

KEY POINTS

- *Timber and fish, products seen as agricultural in Africa, are not covered by the WTO Agreement on Agriculture, but by the General Agreement on Trade.*
- *The Agreement on Trade regulates customs duties, export-limiting measures, and subsidies.*
- *Forest and fishery products come from natural resources, most of which are wild. They are also subject to international conventions (the CITES Convention and the Convention on Biological Diversity) to promote sustainable resource management and prevent the trade in non-sustainable products.*
- *WTO law takes precedence over these conventions: the trade in timber or fish obtained through non-sustainable methods cannot be banned.*

Sources

WTO, www.wto.org

CTA, www.cta.int

FAO, www.fao.org

CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora), www.cites.org

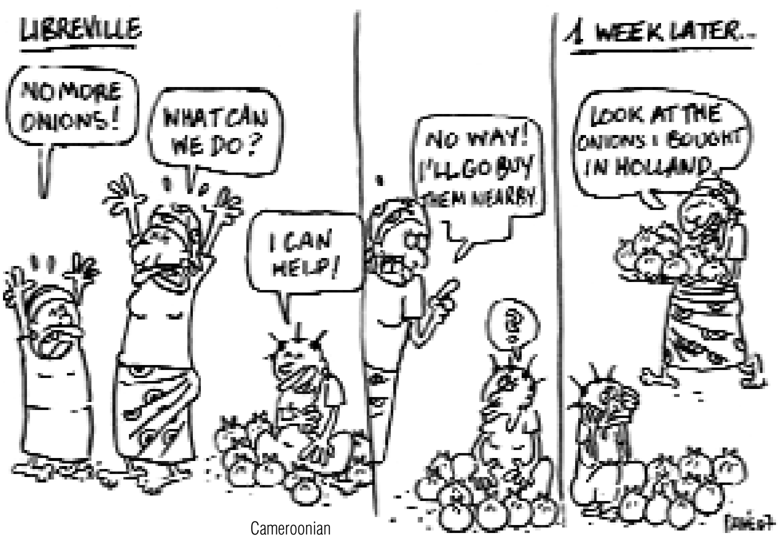
CBD, Convention on Biological Diversity, www.cbd.int

FSC, Forest Stewardship Council, www.fsc.org

Other International Trade Agreements

African countries' international trade is not regulated by the WTO's multilateral agreements alone. It is also regulated by bilateral and regional agreements.

Taking into account this diversity of agreements and their relationships to the WTO's multilateral trading system helps one understand the full complexity of African countries' foreign trade relations.



Cameroonian
onion seller

TRADE AND REGIONAL INTEGRATION IN AFRICA

Regional integration, or "south-south" trade, is very important. Trade between countries with similar socioeconomic structures, or even shared cultural values, is often seen as easier and more beneficial for each of the trading partners than "north-south" trade.

Regional Integration: A Multi-Stage Process

Regional integration is the act of grouping several countries in the same geographic zone with the aim of forming a larger ensemble and a wider market. Within this space, free circulation of people, goods and capital is implemented. Companies can therefore sell their goods on larger markets. The various production zones in the region can specialise in those sectors of activity in which they are most competitive, and businesses can industrialise production. In theory, this makes it possible to lower production costs and improve the region's economy.

This grouping takes the legal and political form of the signature of a trade agreement by different countries.

The Stages in the Regional Integration Process

Stage One: The Free Trade Zone. Countries that decide to implement regional integration eliminate customs duties on the goods they produce that circulate within the regional area. Each member country levies the customs tariffs of its choice on goods from countries that are not members of the free trade zone.

Stage Two: The Customs Union. The countries that make up the free trade zone establish a common external tariff (CET) to unify the customs regime for non-member countries.

Stage Three: The Common Market. The custom union's member countries liberalise the circulation of production factors within the zone. Workers and businesses can freely move to any country within the common market.

Stage Four: The Economic Union. The countries that belong to the common market take the next step by unifying their economic *(cont.)*

policies in the areas of competition, currency, agriculture, taxation, etc. For instance, in the agricultural sector, the member countries regulate production and the market, and harmonise prices.

Stage Five: The Monetary Union. To foster trade between the regional organisation's member countries, some regional groups adopt a common currency. This has the advantage of lowering the cost of trade by eliminating currency conversion expenses.

Stage Six: Widespread Integration. The economic union's member countries decide to fuse politically and set up a central government for the union.

The most advanced example of regional integration in the world is the European Union (EU). Its member countries trade nearly 70% of their goods with each other. The Euro Zone member countries adopted a single currency of the same name in January 1999. Since the 1960s, EU countries have had a common agricultural policy (CAP) that has helped develop European countries' agricultural production and exports. Other trade agreements between states do not take regional integration as far, but do aim to create free trade zones.

The United States-Canada-Mexico Agreement: Regional Integration Limited to Free Trade

The North American Free Trade Agreement (NAFTA) is a treaty that creates a free trade zone between Canada, the United States, and Mexico. It came into force at the start of 1994. It is based on the complementary nature of the three states: Canada is rich in raw materials (water, timber, etc.), the United States brings its technology and its agricultural products, and Mexico brings its abundant and inexpensive labour force. Thus, during NAFTA's first years, assembly plants, called *maquiladoras*, grew in Mexico. They produced, among other things, clothing, electronics, automobile parts, etc.

Generally located along the US border, these assembly plants produce goods assembled, transformed, repaired or elaborated using imported components. Most of these goods are then exported. These sub-contracting companies use the inexpensive labour freed *(cont.)*

by the agricultural sector. Indeed, while these *maquiladoras* were developing, Mexican agriculture was out-competed by American products, in particular maize, a staple in Mexican food. Farmers in the United States receive subsidies and are more productive, which makes their maize more competitive than Mexican farmers'.

Thus, NAFTA's entry into force caused the price of maize in Mexico to drop by more than one third between 1994 and 2006. Numerous Mexican maize farmers left the land while others, to increase their incomes, went to work on fruit plantations in the United States for a few months every year.

The development of ethanol production using American maize brought up the price of this product. This was not enough to revitalise Mexican maize production, but it did cause problems for poor consumers.

Since then, numerous *maquiladoras* have left Mexico to set up shop in countries such as China where labour is even less expensive. Numerous Mexican civil society organisations criticise the mode of development chosen in the framework of this trade agreement.

Regional Integration in Africa

The African continent contains approximately fifty countries, most of which are small in size. There is still little intra-African trade. The markets accessible to African countries are therefore narrow and often isolated due to inefficient transportation routes and the erection of trade barriers. To overcome this situation, numerous regional integration agreements have been signed between African countries. The most important of these agreements are: the Common Market for Eastern and Southern Africa (COMESA), the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), the Central African Economic and Monetary Community (CAEMC), the West African Economic and Monetary Union (WAEMU), and the Southern African Customs Union (SACU).

In Africa, regional integration has not increased formal intra-regional trade, diversified exports, or generated intra-industrial specialisation. This is due to the very slow and incomplete liberalisation of regional trade in Africa. Since customs duties make up a large share of state revenues, trade liberalisation is especially difficult for these countries. To this, one must add the political conflicts that hinder regional cooperation. Non-tariff barriers to trade are also particularly numerous in Africa.

The Onion Trade in Gabon and Regional Integration

The onion is a popular food product in African households. It is impossible to imagine a quality African dish that does not contain onion. It is therefore a crucial food product, one that has many nutritive qualities. In 2000, an unusual thing happened on the Libreville market: a serious rupture in the onion supply. Suddenly, this product could not be found.

Two Central African countries export onions—Chad and Cameroon. As a result, Gabonese importers could have simply bought onions from neighbouring countries, all the more since trade within the Central African Economic and Monetary Community (CAEMC) is exempt of customs duties. Yet, instead of turning to the sub-regional market, Gabonese importers chose to order several containers of onions from Holland.

This can be explained by the existence of fluid distribution circuits between Gabon and EU countries, Gabon's primary suppliers of foodstuffs. It is believed that if the Economic Partnership Agreements are applied, Gabon's tendency to import foodstuffs from the European Union rather than from neighbouring CAEMC countries is in danger of increasing, preventing intra-regional trade from emerging and thereby calling regional integration in Central Africa into question.

In some of the regions mentioned, macroeconomic harmonisation measures have been taken, and economic and financial policy criteria for the harmonisation of baseline economic policy conditions (convergence criteria) have been formulated. To date, however, practically no progress has been made in concretising these policies.

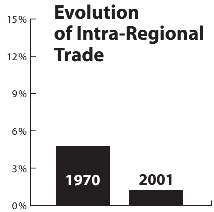
The degree of financial integration is also limited. The exceptions to this are the Central African Economic and Monetary Community (CAEMC) and the West African Economic and Monetary Union (WAEMU). These two organisations each have a common currency—the central African franc, and the African financial community franc (CFA franc).

Regional integration bodies play a non-negligible role in the agricultural goods trade in Africa. This trade contributes to product diversification, but in a still limited fashion (cassava, yams, maize, palm oil, cattle, fish, fruit, forest condiments, etc.).

Regional Integration and Trade

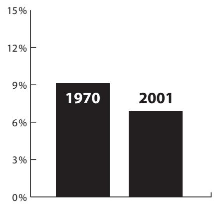
CAEMC

➤ Cameroon, Central African Republic, Congo, Gabon, Equatorial Guinea, Chad



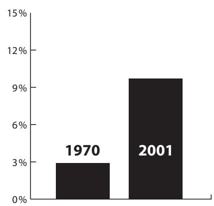
COMESA

➤ Egypt, Sudan, Eritrea, Djibouti, Ethiopia, Kenya, Uganda, Democratic Republic of Congo, Rwanda, Burundi, Angola, Zambia, Malawi, Zimbabwe, Swaziland, Comoros, Mauritius, Madagascar, Seychelles



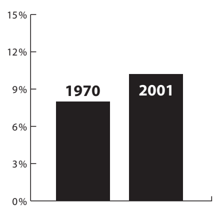
ECOWAS

➤ Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo



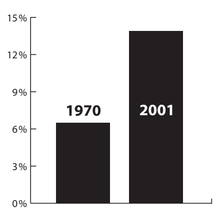
SADC

➤ South Africa, Angola, Botswana, Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Swaziland, Tanzania, Zambia, Zimbabwe



WAEMU

➤ Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo



Source: www.rural-development.de

Some zones are tending to specialise in products destined for regional urban markets. This is the case in the Sahel with meat exports, the Savannah zone with groundnuts, yams and cassava, and northern Cameroon with onions.

The Regional Integration Reality

An Interview with Mister Kolado Maiga,
the Réseau de communication sur le pastoralisme (RECOPA)

Mister Kolado Maiga is also the president of the largest cattle market in West Africa, the Fada cattle market in Burkina Faso.

ECOWAS is one of the most advanced regional bodies in Africa when it comes to the free circulation of people and goods. How do nomadic cattle farmers live this regional integration?

Regional integration does not exist for nomadic cattle farmers. Pastoralism is dominant in this region of Africa, yet countries are not willing to welcome these nomadic cattle farmers when they attempt to cross borders. For them, there is no free circulation of people or goods.

What are the principal difficulties that these nomadic cattle farmers face when they travel through Niger, Burkina Faso, Ghana and Togo?

Once the migratory herding routes have been defined, and even though they are defined by all those involved (farmers, cattle farmers, and government offices), the policies are not implemented. In other words, farmers settle on the lands that had been designated as nomadic routes and government officials turn a blind eye.

Some of the requirements for use of these migratory herding routes are unrealistic. For instance, the Corridor of Arly, a park that links Niger, Burkina Faso and Ghana, is 60 km long but these cattle farmers are required to cross it in one day.

Another problem is that once these cattle farmers cross into a country that is not their own, the authorities do not treat them as ECOWAS citizens, but as foreigners. In addition, customs agents and the police confuse these nomadic cattle farmers with cattle traders. Nomadic cattle farmers cross borders in search of grass and water, and then return home at the end of the dry season. They do this once a year. Cattle traders, however, travel all year round to sell their cattle.

(cont.)

Why do you think it is so difficult for them?

First of all, there is the assumption that farming is more important than livestock and contributes more to the economy. Second, officials at borders do not abide by regional policies. They do not take into consideration the fact that nomadic herders are ECOWAS citizens and treat them like foreigners. Third, these civil servants believe they are rich. When they see a nomadic herder cross the border with 100 head of cattle, they assume that the cattle belong to him. They do not know that the cattle may belong to several families or villages who have entrusted a few shepherds with the job of herding their cattle.

What would you recommend to facilitate regional integration?

We need to commit and invest more in pastoral resources such as water points and herding routes. Sometimes, there is grass but no water, so the herders are obliged to move in search of water.

In addition, policies need to be enforced and monitored to make it easier for nomadic cattle farmers to move across the region.

The circulation of goods within regional spaces corresponds to very longstanding trade within trade networks characterised by personal relationships, thus limiting the recourse to standards. The exchange rates in force partially determine the vitality of trade. Another factor that plays a large role in this vitality is the transport network. The deficient state of infrastructures, unauthorised taxation, and insecurity are major constraints for operators in African regional zones.

THE BILATERAL AGREEMENTS BETWEEN AFRICA AND THE REST OF THE WORLD

Bilateral agreements concern two countries or two groups of countries, whereas regional agreements are signed by a group of countries located in the same region and engaged in a regional integration process.

Africa maintains trade relations with the rest of the world based on bilateral agreements. These agreements can be between:

- two African countries,

- an African country and a country on another continent (for example, the agreements with the United States under the AGOA), or
- a group of African countries and another group of countries elsewhere in the world (for example, the agreement between ACP countries and the EU in the framework of the Lomé and Cotonou Conventions).

What are Bilateral Agreements?

Regional production is not always enough to supply regional markets. Today, each regional block tends to be specialised in specific sectors of production. Africa produces mainly agricultural products that are little or not at all processed; it also produces ore. Europe specialises in industrial goods and services, although the agrifood sector remains large. Asia is gaining ground in industrial products (China especially) and services (India). Latin America, for its part, specialises in agriculture and agrifood.

The trade between regional blocks relies on these regional specialities. For some products, the blocks complement each other, while for other products they compete with each other. The objective of bilateral trade agreements is to set the rules of trade between two parties (regional blocks or states).

Bilateral agreements generally cover several areas: market access (customs duties, quotas, etc.), investment rules, sanitary and phytosanitary standards, etc.

These agreements must be compatible with multilateral trade agreements: countries may not sign bilateral agreements that contradict WTO agreements. If they do, they open themselves up to the risk of a claim in the Dispute Settlement Body.

In particular, bilateral agreements must respect the most favoured nation clause (see factsheet 2), except in two cases:

1. if it is a free trade zone, or
2. to acknowledge inequalities in development (but they must apply to all developing and/or least developed countries).

Free trade zones must cover the majority of trade to comply with WTO rules.

To acknowledge inequalities in development, the WTO allows developed countries to offer developing countries better access to their markets, that is to say lower customs duties than those

The African Growth Opportunity Act (AGOA)

Specific trade relations between countries are not necessarily linked to a trade agreement. For instance, the United States passed a law in 2000 called the African Growth Opportunity Act (AGOA) on its trade relations with the African continent. With this law, which was not negotiated with African countries, the United States unilaterally decided to grant trade preferences to Africa by allowing African products to enter its territory freely. It will be in force until 30 September 2015.

Not all African countries can take advantage of the AGOA. They must meet certain criteria such as the respect of the rule of law, political pluralism, human rights, and the elimination of barriers against imports and investments from the United States. Based on these criteria, the President of the United States establishes a list of qualified countries. He can also decide to remove countries from this list. In January 2007, nine African countries were not qualified for the AGOA: the Central African Republic, Comoros, Côte d'Ivoire (removed from the list in January 2005), Eritrea, Equatorial Guinea, Somali, Sudan, Togo and Zimbabwe.

The list of products covered by the AGOA is also set. For example, beef, groundnuts and groundnut oil, pineapple, tomatoes, roses and preserved tuna enter the United States without customs duties. However, sugar, mangos, green beans, some qualities of cotton fibre, some cocoa products (sweetened powder, chocolate) do not receive any particular advantages. Other products, such as coffee, bananas and shrimp, enter the United States without customs duties irrespective of their origins (Africa or other countries around the world).

For clothing, the rules are fairly strict: to enter freely, clothing must be made in an African country using American fabric. If it is made with African fabric, it enters freely but in a limited quantity. Only traditional clothing and fabric enter the American market freely (no limit on quantity, no taxes).

Ultimately, the AGOA allows some African countries to better export certain products to the United States. But the United States can repeal or modify this law unilaterally without consulting African countries. Similarly, the list of products and countries changes regularly. Finally, the AGOA comes with strings: to benefit from it, countries must adopt measures favourable to the United States, by allowing investments for example.

levied on other countries, within a Generalised System of Preferences (see factsheet 2). The EU has chosen to go further by creating the “Everything But Arms” initiative that offers access free of customs duties to all developing country exports except arms and munitions.

Africa-Europe Relations: From Lomé to Cotonou

A Limited Regime of Preferences

Since the 1950s and the Treaty of Rome (1957), Europe has maintained special trade relations with its former colonies in Africa, the Caribbean, and the Pacific. Until 2000, the Conventions of Yaoundé and then Lomé defined the preferential trade regime available to products exported from ACP countries to the EU.

Thus, the Lomé regime guarantees equivalent access to the EU market for all ACP countries. There are no customs duties on most products. To acknowledge the differences in levels of development, these trade preferences are not reciprocal: ACP countries levy the same customs tariffs on European products as on products of other origins.

migratory herding of cattle in the Niger Inland Delta (Mali)

Olivier Barrière (IRD)

This preferential regime is criticised for not sufficiently stimulating the insertion of ACP countries in international trade. ACP countries' share of EU imports is constantly dropping and these countries are not, or are little, increasing their exports. In addition, these preferences are not sufficient to develop the export of processed products, whereas countries on other continents, Asia in particular, are increasingly positioning themselves on industrial products or services. In this way, even though these trade preferences probably prevent ACP countries from losing ground in their traditional exports, they do not enable them to develop new exports or new destinations. For example, West Africa's agricultural product trade is highly dependant on the EU, the principal region with which West Africa trades (43% of agrifood imports and 68% of agrifood exports).

Senegal's Trade with the EU

Senegal's trade with the EU is characterised by a trade balance deficit. In other words, the value of imports from the EU exceeds Senegal's income from its exports to the EU.

This deficit tripled in the space of twelve years (from 1990 to 2002), reaching more than 760 million euros. The EU is Senegal's primary supplier of agricultural products.

These imported products are mainly food goods, consumed in large quantities in the country. Between 1990 and 2003, more than 50% of the value of these imports came from three products: milk and powdered milk (19%), fats and vegetable and animal oils (18%), and cereals (17%). The country also imports a lot of sugar (9%), various prepared foods (7%), and other products, most of which are elaborated.

A Regime Deemed Incompatible with WTO Rules

The other argument advanced in favour of reforming the Lomé regime is its non-compliance with WTO rules. Indeed, under the most favoured nation clause, when a country or group of countries grants non-reciprocal concessions, these concessions must be granted to all developing countries (including LDCs) or to all LDCs. Yet, under the Lomé conventions, the European Union only grants preferences to developing countries in the ACP zone, and does not extend them to non-ACP developing countries. Since the 1990s, this preference regime has been contested within the WTO by non-ACP developing countries, especially in regard to bananas.

The WTO and Cameroon's Banana Exports to the EU

Banana is one of Cameroon's crops destined mainly for export. Like sugar, bananas have long received trade preferences on the EU market.

Prior to 2006, 857,700 tons of banana from ACP countries entered free of customs duties. Cameroon's potential in this sector was considerable. The Compagnie fruitière de Marseille and the Cameroon Development Corporation group invested heavily to keep banana crops on the level of world competition. This country had a quota of 155,000 tons, or more than 8% of imports on the EU market. Cameroon was therefore one of the countries most favoured by the EU's trade preference regime.

In 1994, five Latin American countries—Colombia, Costa Rica, Nicaragua, Venezuela and Guatemala—filed a complaint with the WTO in regard to the EU banana regime. Other claims, notably from the United States, followed in 1996 and 1997. The latter went so far as to threaten the EU with retaliation if the preferential banana regime was not cancelled. It should be emphasised that the world banana market is dominated by three American companies, Chiquita, Dole and Del Monte. Alone, these three companies control 60% of the world banana market.

In 2001, the ACP countries and the EU asked the WTO to renew the dispensation granted under the Lomé regime. Indeed, since this regime did not offer the same access to all developing countries, it needed WTO authorisation. To be valid, a dispensation such as this must be decided by three quarters of WTO members. To obtain this, concessions needed to be made, especially on bananas for Central American countries. The EU thus promised to consult all countries concerned by the banana trade. If these consultations turned out to be unsatisfactory, the parties would bring the issue before the General Council for recommendations. On the heels of these consultations, the EU established its new banana import regime, which was less favourable to African producers.

(cont.)

On 1 January 2006, the quota of ACP bananas accepted without customs duties was cut from 875,000 to 775,000 tons. Bananas over this quota are subject to the same customs duties as bananas from non-ACP countries.

The liberalisation of the banana market obtained within the WTO in exchange for an extension of Lomé will bring about strong competition on the European market from bananas grown in Latin America. Thus, efforts at productivity and health standards must still be made if Cameroon's bananas are to remain competitive compared to bananas from Latin America.

European Banana Quotas and Customs Duties Before and After 2006

	pre-2006	post-2006
ACP quota	857,700 tons	775,000 tons
customs duty	230 euros/t	176 euros/t

However, the WTO's General Agreement on Trade provides for the possibility of granting privileged access to a market in the framework of free trade zones, which must cover the majority of trade.

The Economic Partnership Agreement Negotiations

Since the Lomé Conventions discriminate against non-ACP developing countries, they are attacked, in particular by Latin American states who demand access to the European market that is as favourable as that granted to ACP countries, for their bananas among other things.

The Lomé Conventions were therefore replaced by the Cotonou Agreement, signed in June 2000 between the ACP countries and the EU. The Cotonou Agreement marked a break with the Lomé Conventions: while it maintained a strong cooperation dimension, it was based on a logic of free trade. It plans the end of the Lomé preferential trade regime at the end of 2007, and its replacement at the start of 2008 by Economic Partnership

Agreements (EPAs), or by another system if ACP countries so request. Signed by the EU on one side, and six ACP regions on the other side, EPAs contain three components:

1. the creation of regional integration zones among ACP countries,
2. the establishment of a free trade zone between Europe and the regional blocks, and
3. finally, a “development” component which corresponds to flanking measures for liberalisation.

An Agreement between Forming Regional Blocks and Europe

At the beginning of 2007, the EPA negotiations imply the existence of four regional blocks in Africa, each of which negotiate an agreement with the EU. Following EPA logic, each of these regional blocks will set up a common market and a common external tariff (CET).

The West Africa group is built around ECOWAS, the Central Africa group around CAEMC, the East Africa group around COMESA, and finally the Southern Africa group around the SADC.

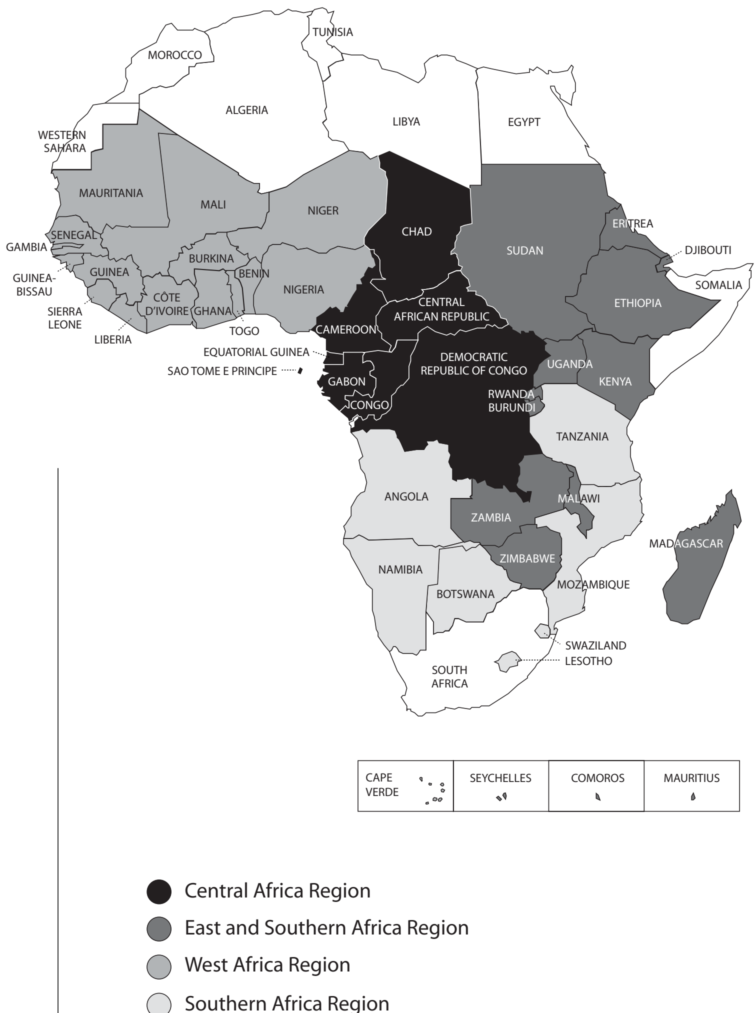
These regional blocks do not exactly match existing regional integration zones. Thus, Mauritania negotiates in the ECOWAS block although it is not a member. It is therefore planned that Mauritania join the ECOWAS common market and adopt the same tariff structure for its customs duties. In addition, Tanzania—which had formed a common market with Uganda and Kenya—is not negotiating the EPA in the same regional group (Tanzania negotiates with the SADC, while Kenya and Uganda negotiate with the Eastern and Southern Africa (ESA) group).

A Free Trade Zone

To be in compliance with the WTO agreement, free trade zones must cover “the majority of trade”. This does not mean that free trade must be total. The EU should open its borders fully, and the regional integration bodies’ degree of openness to European products remains to be determined so that both parties consider the majority of trade to have been liberalised.

The liberalisation of trade between the EU and Africa’s regional blocks connects economies that are, for the moment, mostly complementary, although pockets of competition exist, in particular for certain agricultural and agrifood products. Africa exports agricultural commodities and ores, while the EU is specialised in the production of industrial goods.

Map of Regional Blocks for the Economic Partnership Agreement Negotiations



Source: Agritrade, agritrade.cta.int

EPAs Must Support Development

The Cotonou Agreement plans that EPAs will be instruments to serve the development of ACP states. In particular, they will support regional integration processes, the institutions implementing these processes, and the infrastructures that will allow regional trade to actually develop. EPA flanking measures, which make up the EPA development component, must be defined and financed.

What are the Stakes behind EPAs?

EPAs will have consequences on state finances, African production, regional integration processes, and Africa's exports to Europe.

> *State Revenues Will Change, Necessitating Fiscal Transition*

The elimination of customs duties on imported European products and intra-regional trade, combined with the drop in customs tariffs as a result of CET application (CETs are often lower than domestic tariffs), will cut ACP countries' revenues considerably. For example, this drop in state revenues is estimated at 5% to 10% for most West African states.

This may lessen countries' capacities to invest in infrastructures and social, educational and health programmes, making the success of regional integration uncertain. EPAs are counting on the hope that the economic development launched by their establishment will allow states to develop other tax revenues.

> *Competition with Domestic Production*

The competition between African and European products will be more or less intense depending on African markets' degree of openness. Most studies on West Africa agree that full reciprocity would lower African production. Liberalisation should create trade (i.e. generate additional imports), but will also divert the trade origin, that is to say that European imports will replace imports from other places. Europe will increase its exports to Africa. For example, the EU's West African export gain could be approximately 1 million dollars (15% of current exports).

> *The Impact on Regional Integration*

The increased competition between African and European products, the drop in state revenues, and the problems of geographical grouping, are factors that risk weakening regional integration.

However, as the institutions implementing regional integration are the EU's interlocutors in these negotiations, they should become politically stronger. In addition, the development aid component plans to support regional integration processes.

Food Security, Poverty Alleviation, and Trade Agreements: Conflicting Goals?

Some trade agreements appear to work against the construction of a West African agricultural product market, food sovereignty, and poverty alleviation.

On 12 January 2006, the 29th Summit of ECOWAS Heads of State, held in Niger, adopted the ECOWAS Common External Tariff (CET), modelled on that of WAEMU. With this low CET, the sub-region's already strong food dependency is in danger of increasing. In addition, this situation will probably make the success of various strategies to promote local agricultural commodity chains difficult. The adoption of the ECOWAS CET thus appears to be in conflict with the vision displayed in the common agricultural policy (ECOWAP) that seeks to promote food sovereignty by reducing dependency on imported products. Indeed, it seems difficult to honour this objective without a minimum of protection for local agricultural products. The adoption of the CET seems to call into question the common agricultural policy adopted in 2005.

As the Economic Partnership Agreement (EPA) negotiations progressed, a fundamental schism appeared between the ACP countries' vision and that of the EU in regard to the content and future of EPAs. For the European Commission, EPAs are not only development aid focused on trade, they must result in greater opening of the West African market to European products via the application of the reciprocity principle. For their part, the ACP countries insist that EPAs must cover development and trade. It is planned that 80% of the European products that enter Africa will not be subject to customs duties.

While the Cotonou Agreements advocate cooperation between the EU and ACP countries for international negotiations, it is divergence and antagonism, rather, that prevail between these two parties in international arenas. Notably on agriculture-related issues and market access for non-agricultural products and services, for which the European Commission vigorously defends positions that go against the interests of ACP countries.

> *Access to the European Market Is Guaranteed but Without Preferences*

Under EPAs, market access will be complete for non-LDC ACP countries and will be the subject of an agreement between the two parties. With the "Everything But Arms" initiative, LDCs, however, are not concerned by these customs duties, but their access to the market is not contractual. It was unilaterally decided by the EU that can decide on its own to eliminate this market access at any time.

KEY POINTS

- *The multilateral agreements signed within the WTO are not the only agreements that regulate trade between nations. Numerous other regional and bilateral agreements exist.*
- *Numerous regional integration agreements have been signed in Africa, notably COMESA (East and Southern Africa), ECOWAS (West Africa), and the SADC (Southern Africa).*
- *These regional integration processes are at various stages of progress and trade remains low.*
- *Bilateral agreements regulate trade between two states or groups of states located in different regions, such as the Lomé Conventions and then the Cotonou Agreement between the European Union and ACP countries.*
- *These bilateral agreements must be compatible with WTO rules.*
- *The Lomé conventions are contested within the WTO by non-ACP developing countries who feel they are short-changed by the trade preferences granted by the EU to ACP countries.*
- *The Cotonou Agreement replaced the Lomé Conventions in 2000, and provides for the implementation of Economic Partnership Agreements (EPAs), with the aim of bringing the ACP-EU trade regime into compliance with WTO rules.*
- *Signed between the EU and six regional blocks of ACP countries, EPAs provide for the creation of regional integration zones among ACP countries, the establishment of free trade zones between Europe and the regional blocks, and a "development" component (liberalisation flanking measures).*
- *EPAs require reciprocal trade opening, and therefore break with the logic of preferences, thus marking a deep departure from the Lomé Conventions. The negotiations are difficult and marked by fundamentally diverging points of view between the ACP countries and the EU when it comes to their content.*

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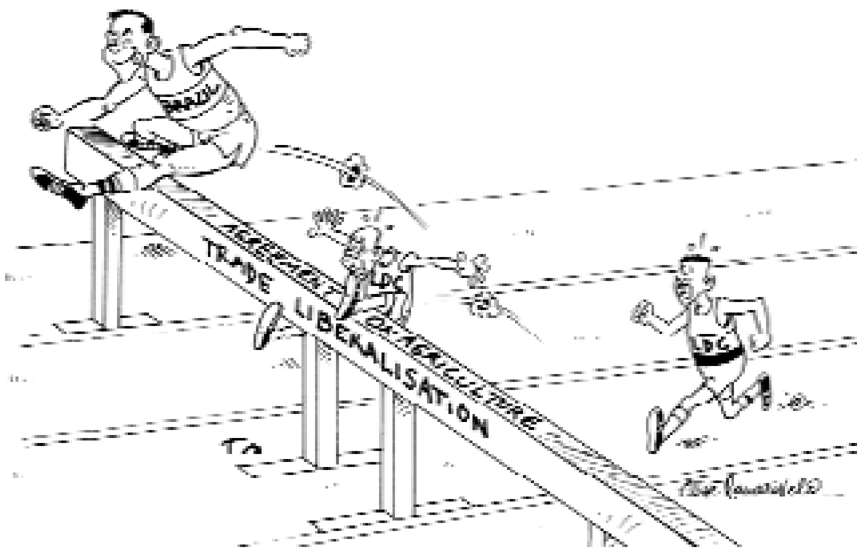
Who Benefits from the Agreement on Agriculture?

Developing countries are generally presented as a single group of countries who lose out under the Agreement on Agriculture (AoA). In reality, they are not all equal before the effects of this Agreement. Brazil, Uganda, Thailand, Benin, Vietnam, Mali… They are all developing countries but they are far from being all losers.



FEW EXPORT OPPORTUNITIES FOR AFRICAN COUNTRIES

Difficult Access to the Markets of Developed Countries

The Agreement on Agriculture (AoA), which aims to regulate the levels of support given to producers and levels of protection in developed countries, is supposed to provide numerous developing countries with export opportunities. In reality, international market conditions have barely changed for African countries, as domestic support and tariff protections for agriculture have hardly diminished in developed countries.

Domestic Support Still High in Developed Countries

Overall levels of producer support in developed countries have even risen through increased use of the support measures allowed under the Agreement that offset the reduction of support deemed harmful to free trade (see factsheet 3).

Whereas developing countries already have practically no agriculture support measures in place, developed countries, for their part, only reduce those deemed harmful in the Agreement while maintaining other forms of support. Moreover, this reduction is done at the overall level, and developed countries may increase their levels of support for certain sensitive products, which very frequently are the products whose export is of interest for developing countries.

Customs Duties Still High in Developed Countries

Even after they have been reduced in compliance with the Agreement, average customs tariffs on agricultural products remain very high in developed countries compared to those in place in developing countries. The conversion of non-tariff barriers into tariff barriers can, ultimately, lead to the establishment of higher levels of protection than previously. Furthermore, even with an average cut of 36% as desired by the Agreement, developed countries' customs tariffs remain high because their initial levels were high, notably on certain products potentially of interest for developing countries (meat, sugar, etc.).

Tariff peaks (in other words, much higher than average customs tariffs) are still applied to numerous staple foods, fruits and vegetables. In 1999, despite the reduction of customs tariffs, Japan taxed rice imports at a rate of 550% and milk products at 370%; the EU taxed frozen beef and grape juice at 215%.

Tariff Escalation, an Obstacle to Trade for Processed Products

Tariff escalation is one of the obstacles to the diversification of developing countries' exports towards processed products.

> ***Tariff Escalation***
>
> *Tariff escalation is the increase in tariffs with the degree of processing a product undergoes (for example, low duties on tomatoes and high duties on tomato paste).*

This escalation is frequent in numerous commodity chains of particular interest for developing countries: coffee, cocoa, oilseeds, and animal products such as hides and skins. For instance, Japan does not tax cocoa beans, but imposes a 5% customs duty on defatted cocoa paste, and a 29.8% customs duty on sweetened cocoa powder. Today, most developing countries' exports are still concentrated in primary commodities. However, it should be emphasised that ACP countries' exports to the European market are not concerned by this because of the tariff preferences negotiated with the EU in the framework of the Lomé and Cotonou Agreements (see factsheet 8).

Tariff Rate Quotas

In order to improve market access for developing countries' exports of products still subject to customs duties, the AoA provides for tariff rate quotas (TRQs) (see factsheet 3). For instance, in 1999, the EU established a tariff rate quota of 2 million tons of maize at a price of 24.45 euros per ton for developing countries, whereas the most favoured nation (MFN) rate for WTO member countries was 48.45 euros per ton.

In reality, the TRQ practice has not necessarily improved market access for various reasons. The system is complex and requires bilateral negotiations. Its administration is so cumbersome that barely two thirds of the quotas have been fulfilled. Within the quotas, products are not exempt from duties. Finally, the quotas are country-specific.

The Standards Obstacle

The issue of quality and safety standards, which is closely linked to agricultural market access, was not sufficiently taken into account in the AoA. Developing countries are rarely represented in the decision-making bodies that set quality and safety standards, and they find it difficult to meet the standards issued, which are sometimes disguised protectionism on the part of developed countries (see factsheet 5).

The Persistent Practice of Dumping

Customs tariffs remain high in developed countries, whereas they are relatively low in developing countries. This situation, combined with large subsidies in developed countries, leads to the dumping of products on developing countries' markets, with disastrous consequences for economies and local populations' livelihoods.

The Special Safeguard Mechanism (see factsheet 3) that allows local production to be protected by authorising countries to levy additional taxes on products is only accessible to countries that have converted non-tariff barriers into customs duties. Yet, numerous developing countries are not in a position to use this procedure because they have nothing to convert since they have already eliminated their non-tariff barriers in the framework of the structural adjustment programmes imposed by the IMF and the World Bank. Among other things, these measures can only be applied temporarily and within a precisely limited customs tariff increase.

Because of this, dumping persists on the markets of developing countries, who lose:

- export opportunities and revenues because their market access is blocked in the developed countries that use subsidies;
- export opportunities in other developing countries because the developed countries that use subsidies export to these other countries at artificially low prices; and
- their market share in their own domestic markets due to the inflow of artificially cheap subsidised products.

The Continued Drop in Commodities Prices

The AoA does not directly address the issue of falling commodities prices. Yet, 80% of African countries' agricultural product exports are primary agricultural products. Implementation of

The Effect of Dumping on Tomatoes in Ghana

In Ghana, tomatoes illustrate the negative impacts on local production of importing European products that receive production and export subsidies.

When the production of fresh tomatoes (in volume) is less than a defined amount, the EU provides direct aid to producers of 34.50 euros per ton to producers' organisations that deliver their tomatoes for the production of paste. In addition, an export subsidy can be raised to "allow the export of economically significant quantities".

Until the start of the 1980s, Ghana had dynamic tomato production and processing plants. In particular because of competition from inexpensive Italian tomato paste, these plants are closing their doors, eliminating hundreds of jobs. Tomato farmers, for their part, must sell their products on the roadside, at the price clients are willing to pay. Ghanaian tomatoes cannot withstand the omnipresence on local markets of Italian cans. Ghana, with imports exceeding 10,000 tons per year, has become the principal African importer of processed tomatoes.

This competition from Italian imports is not only linked to the liberalisation process within the WTO. As part of the structural adjustment programme in the 1980s and 1990s, local processing plants were sold with the aim of making the Ghanaian economy more efficient. Customs duties on imported products were also lowered under these programmes.

By acceding to the WTO in 1995, Ghana has continued to implement a particularly liberal foreign trade policy by further reducing customs duties and agreeing to not increase them again. Thus, the legal maximum rate of 25% was reduced to 20% in 2000. Compliance with AoA disciplines therefore continues to facilitate the penetration of Italian cans on Ghanaian markets. Inversely, the EU's compliance with the rules has allowed it to reduce, but not eliminate, its production and export subsidies, enabling the development of sharp competition between Italian imports and Ghanaian tomato crops.

the AoA was expected to raise commodities prices on international markets, but prices have yet to recover. The prices of numerous basic agricultural products have followed a downward trend that has led them to historically low levels, and this has been true since the end of the 1990s. Between 1997 and 2001, the price of coffee dropped by nearly 70%, falling below production cost in many countries. Cocoa prices followed an analogous trend, despite a short recovery in 2000 that lasted until prices began to fall again in 2003 when the supply was once again abundant. This reveals the limitations of trade liberalisation when it comes to maintaining prices, and undoubtedly the need to design and implement other mechanisms.

Developing Countries Are Not Equal on the World Market

Falling Protection Levels Benefit Agro-Exporters

Tariff reductions (even limited) mostly favour large agro-exporting developing countries, the majority of which are not in Africa. Customs duties on traditional African agricultural exports (cocoa, coffee, pineapple, etc.) were already relatively low in 1995. Tariff reductions on highly protected products—sugar, beef, cereals—clearly benefit Brazil. Moreover, tariff reductions at the multilateral level have led to an erosion of trade preference for African countries. This means that they are no longer the only countries to benefit from low customs duties on their exports. Customs duties have fallen for all countries on the EU's and the United States' markets, and African countries have "lost (in this way) their privileges" on these markets.

In all the African countries where the competitive advantage was based on preferential market access rather than on competitive production costs, the AoA brought about a reduction in market shares. Mauritius is one example of a country whose economy has been weakened by a sugar commodity chain that functioned on the basis of preferential access to the EU market.

Sugar in Mauritius: Competitiveness Based on Preferential Access to the European Market

Sugar cane is vital for the Mauritian economy: in 2004, it accounted for 19% of the country's exports and 5% of its GDP. It also provides 60,000 direct jobs to salaried employees and small farmers.

As an ACP country, Mauritius has privileged access to the EU market in accordance with the Sugar Protocol in place for more than forty years. This protocol allows a certain number of sugar-exporting *(cont.)*

ACP countries to benefit from quotas on their exports to the EU. Each country has a quota and the quota volumes are revised annually. Within the limits of these quotas, sugar exports from ACP countries enter the European market free of customs duties. Furthermore, ACP exporting countries can sell at the domestic European price—a guaranteed price approximately three times higher than the world price. Therefore, in reality, sugar from ACP countries benefits from the same conditions as those granted to European sugar.

Out of twenty countries, Mauritius is the largest beneficiary of the Sugar Protocol, as it has the largest sugar export quota. In 2002-2003, Mauritius' quota accounted for nearly 40% of the total quota (which is more than 1,300,000 tons).

The widespread reduction of customs duties in the framework of the WTO lessens the advantage Mauritius has with its access to the European market free of customs duties. Mauritius' customs duty "privilege"—in other words, its trade preferences—is dwindling. In addition to this erosion of preferences, the reform of Europe's Common Agricultural Policy (CAP) in the sugar sector plans to lower the domestic price of sugar in Europe by 36% over four years. A reform such as this has considerable consequences for economies that are heavily dependent on the Sugar Protocol, such as Mauritius. Under the Protocol, its export earnings are currently nearly 280 million euros, but they could drop to 178 million euros in 2009-2010.

Public Policies Make a Difference

The structural constraints internal to African countries prevent them from taking full advantage of new market access opportunities. Africa's powerlessness to defend its position on the world market comes, in this way, from its inability to overcome these constraints and modernise its agricultural sector, combined with the fact that developed countries maintain a certain degree of protectionism via their subsidies, trade barriers, and non-trade barriers. In addition, African countries do most of their trade with non-African countries, notably imports from developed or emerging countries, and have insufficiently developed their regional African trade.

However, in other developing countries, primarily in Latin America and Asia, trade performances—especially in terms of world market share—have improved significantly in the framework of trade liberalisation. This is the case for Brazil, for example, which seems to be one of the major winners under the AoA even though, within this large agro-exporting country, the Agreement's impact has been very different for the various actors involved in the agrifood industry and family farming.

Brazil, the Big Winner

Some developing countries have benefited from the establishment of WTO and free trade agreements. While China has greatly benefited from the liberalisation of the textile trade, Brazil emerges as the big winner in the field of agriculture. Of course, in 2005, it was only ranked fourth place among world agricultural exporters, behind the EU, the United States and Canada. But these countries are losing market shares, while Brazilian exports are growing rapidly.

Share (in %) of world agricultural exports for the four largest world exporters *(Source: WTO)*

Country	2000	2005
European Union	10.1	9.9
United States	12.9	9.7
Canada	6.3	4.8
Brazil	2.8	4.1

This success—like, to a lesser extent, that of China (from 3.0% of world exports in 2000 to 3.4% in 2005) or Indonesia (1.4% to 1.7%), respectively ranked 5th and 10th worldwide—is due to a combination of factors. First, Brazil's size and its agricultural area are favourable factors. Next, and above all, this country has the potential to respond to the opening of developed countries' markets by greatly increasing its production. Without paying out direct aid to Brazilian farmers, the government intervenes in favour of agriculture by providing inexpensive credit, considerable research and training, and modern infrastructures. In Brazil, high-performance agriculture focused on the conquest of foreign markets coexists with family farming (of medium size) and subsistence farming (on small farms). Supplier to developed countries, Brazil is also becoming one of the largest suppliers in Africa, for instance in poultry meat.

Other developing countries have increased their exports, but not as much. This is the case for Southeast Asian countries—Indonesia, Malaysia, Vietnam and Thailand, the largest exporters of rice and palm oil, notably on African markets.

Thailand, which unlike Brazil does not have the comparative advantage of being a large country, also emerges as a winner in regard to its position in international trade. The policies set up in this country explain its economic vitality.

Thailand, a Small Country but a Giant in World Trade

Despite its relatively small size, Thailand's economy is one of the most dynamic in the world. Today, the country is ranked 8th among the world's principal exporters of agricultural products, right behind China, Australia and Argentina. Its share of world agricultural exports grew from 1.2% in 1980 to 1.9% in 1990 and then 2.2% in 2000, before levelling off at 2.1% in 2005.

This position in world trade is based on public policies that are resolutely turned towards the outside. After first having focused on import substitutions, the country began to focus on exports starting in the 1970s. The policies set up sought to bring the level of incentives offered to exporting firms up to the level of the incentives offered to firms whose goods were destined for the domestic market. The country also received an inflow of foreign capital that, added to the high rate of domestic savings, allowed very high levels of investment. Thailand then also focused on regional development.

Finally, it must be emphasised that Thailand knows how to make good use of the room for manoeuvre that exists in the AoA to maintain its agricultural policies. It is one of the ten main countries that grant the most domestic support. Seven of these countries are members of the Organisation for Economic Co-operation and Development (OECD). The three largest are the EU, the United States and Japan, followed by Brazil and Cuba alongside Thailand. More than 60% of the support Thailand gives to its farmers consists of green box measures, that is to say measures considered by the WTO not to have a negative effect on trade and that can therefore be increased without restrictions. Thailand also subsidises its exports, by relying on the provisions in the AoA that authorise developing countries to grant subsidies to lower the marketing cost of exports and the cost of international transport and freight. It also uses export credits to sell its rice more easily. These credits provide importers of Thai rice with preferential credit conditions for their purchases.

It seems that the primary difference between the winners and losers, when it comes to exports on the world market, is countries' ability to exploit the flexibilities in and provisions of the AoA. In the African context characterised by weak infrastructures, liberalisation alone cannot have satisfactory results. High transport costs, inefficient logistical services for international trade, and weak export support services eat away at numerous African economies' export capacities.

Tanzania, a Losing Country

With the exception of a few products, all of Tanzania's exports enter Europe free of customs duties and quotas, in compliance with the "Everything But Arms" initiative established by the EU in February 2001. Despite this, Tanzania has not taken full advantage of this favourable trade regime. The reasons behind Tanzania's inability to do so are based, in particular, on the existence of several major non-tariff barriers related to the SPS Agreement (compliance with standards). Internal structural constraints also heavily affect the country's production and export capacities, preventing it from taking advantage of new commercial outlets.

Real agricultural growth rates have only marginally increased, from 2.8% between 1976 and 1980 to 3% since the mid-1980s.

African countries' poor position in world trade seems, therefore, due to the weakness of its productive sector and agricultural policies. Instead of supporting the productive sector, the banking system and investments go in preference to the import sector. In the 1980s, the structural adjustment programmes (SAPs) set up by the IMF and the World Bank considerably lessened the ambitions of agricultural and productive sector policies. A few years later, the AoA ratified this situation and the margins for manoeuvre allowed to developing countries were cancelled out by the constraints in the SAPs.

Beyond multilateral frameworks and those imposed by donors, one must emphasise that productive sector support also requires political determination. This political determination seems to be strong in the winning countries of Latin America and Asia, but often seems to be lacking in African countries, even when it comes to lifting the constraints imposed by SAPs.

THE OPENING OF DEVELOPING COUNTRY MARKETS TO FOOD IMPORTS

An On-Going Process of Opening

The impact of the AoA on import conditions in developing countries, and African countries in particular, essentially takes the form of intensifying the more general movement towards market liberalisation in these countries.

This liberalisation, begun with the SAPs and intensified with the implementation of the WTO Agreements, is pushing African countries to progressively open their borders to food imports. From this standpoint, the AoA's rules are not very innovative in most African WTO member countries because the structural adjustment programmes already imposed analogous rules, such as the reduction of customs duties and domestic support. The AoA's rules often only confirm an existing situation, and have limited effects on African agricultural policies. But their effect is not harmless, as applying them consolidates, in a certain way, major constraints on the use of agricultural policy instruments.

Bénédicte Hermelin

selling bread in Monrovia (Liberia)

What is more, the process is continuing with the sub-regional integration policies in place since 2001. The WAEMU agricultural policy (WAP) established a low level of protection for West African agriculture. The customs duties at borders—the common external tariff (CET)—are so low that West Africa is rapidly becoming a sort of "customs-free area" for numerous imported food products.

WAEMU's current CET sets four categories of products and has a maximum rate of 20% taxation on imported goods.

WAEMU's Common External Tariff

	Type of Goods	Customs Duty
Category 0	staple goods: crude and semi-refined oil, medications and medical products, books, newspapers, newsprint	0%
Category 1	basic commodities, raw materials, equipment, specific inputs	5%
Category 2	inputs and intermediate products	10%
Category 3	final consumer goods and other goods	20%

Basic commodities such as wheat and milk are placed in category 1. The tax levied on wheat flour at the WAEMU border amounts to less than 50 euros per ton, whereas Europe levies a tax of 163 euros at its borders.

Category 2 includes rice. The levying of a 10% tax on rice imports also has serious consequences on local rice. For instance, rice producers in Burkina Faso, Niger, Mali and Benin are supplanted on their own markets by Asian or American rice. The situation is even more surprising in Mali, as the country imports rice even though it has considerable production capacity. Only 25 kilometres from the production zone, all retail stores sell imported rice.

The customs duty of 20% is also very low for category 3, which concerns final consumer goods, including meat, fish, milk, refined oils, and processed products. This low level of taxation may have the consequence of blocking the potential to develop manufactured product commodity chains in WAEMU countries. It should be noted that, in January 2006, the WAEMU CET was extended to all ECOWAS countries as part of the ECOWAS' regional agricultural policy.

The liberalisation process is continuing in the framework of the Economic Partnership Agreement (EPA) negotiations with the EU. Indeed, the adoption of a CET is planned for the four regions of the negotiations, which, in most cases, will lower customs tariffs on agricultural products (see factsheet 8).

Strong Impact on Eating Habits

Imports have a direct impact on eating habits, modifying them. Local products are being replaced by imported products. This phenomenon is very visible in urban areas, but it is increasingly being seen in rural areas. Staple crops, which should have benefited from the increased need for them due to the strong demographic growth in sub-Saharan Africa, are hindered in particular by market liberalisation that allows imported products to establish themselves at low prices on local markets.

Yet, behind modes of consumption, there are specific modes of production that rely on family farms, traditions, values, etc. A product that has been replaced is also a product that no longer finds buyers on the market, no longer has commercial prospects, and is condemned to disappear along with its production scheme.

West African Wheat Flour and Cereals

WAEMU countries import large quantities of wheat. Bread and food pastes are part of daily menus. Bakeries are everywhere, even in rural areas. Simultaneously, farmers who grow maize, millet and sorghum are not able to sell their cereals at a profitable price. *(cont.)*

In Senegal, attempts to substitute some of the wheat flour by millet, maize or cowpea flour are accepted by individuals but run up against the lack of interest among millers and bakers, who invoke supply difficulties, the cost of local commodities, procedures, and consumers' attachment to wheat bread. For its part, the state is divided between its desires to protect commodity chains, preserve its revenue from import taxes, bring the country into liberalisation, and maintain the purchasing power of urban consumers.

Sahalien Milk and Imported Milk Powder

In the countries of the Sahel, where traditional cattle farmers account for 10% of the population, a large share of the milk products consumed in cities comes from foreign countries, primarily Europe. For example, nearly all the yoghurt produced in Ouagadougou (Burkina Faso) is made from imported milk powder. Indeed, one litre of milk made from imported milk powder cost 200 CFA francs in 2006, whereas a dairy would pay approximately 300 CFA francs per litre for milk produced locally in Burkina Faso.

Milk powder imported from the EU is subsidised, which lowers the export price by 30% to 40%. In addition, the low customs duties also encourage the use of milk powder imported from emerging countries, which is not subsidised but has low production costs. Inversely, local milk production runs up against problems of quality, conservation and market preparation, low productivity of local breeds, and access difficulties for water and feed, which explains the difference in competitiveness compared to imported milk.

Burkina Faso Rice and Asian Rice

Burkina Faso, like many other African countries, imports large quantities of rice at very low prices. Rice importers benefit notably from the fall of the dollar (down nearly 40% in two years), while the import tax, defined in 2000 by the CET, has not changed and is set at a low level: 10% in Burkina Faso.

Rice producers are getting poorer and many are abandoning paddies, while others are turning to market garden crops.

Local Chicken and Frozen Chicken

Sub-Saharan Africa absorbs approximately 20% of the EU's poultry exports. They are mostly poultry cuts that have little value and are exported at low prices. More than 60% of poultry exports are deboned and frozen turkey and chicken cuts (thighs, drumsticks, *(cont.)*

wings, feet, etc.), little-eaten by European households who prefer other cuts. Brazil, for its part, exports very inexpensive whole chickens thanks to its economies of scale. Imports eat away at a growth sector in African (sub)urban centres.

In Cameroon, between 1996 and 2003, imports of chicken and frozen chicken cuts grew by more than 2000%. In addition, corruption and false declarations contribute to allowing the entry of two, or even three, times more chicken than the authorised amount, spurred on by the high demand among consumers with little purchasing power in search of the least expensive products. Finally, households seek products that are easy to prepare, and imported chicken have been feathered and cut, and are ready to cook.

In both Congos, enormous quantities of "reformed" poultry (laying chickens turned into meat chickens at the end of the cycle) are imported, especially from Holland. *Embebé ya Ndoula* (which means 'cadavers of Ndoula', named after Mobutu's former minister who was in favour of these imports) are sold frozen for 2,000 CFA francs per kilo, compared to 2,500 to 3,000 CFA francs for a better quality, grain-fed *bateké* chicken (local chicken). Low income households prefer to buy poor quality frozen chicken rather than local chicken.

In addition to their economic impacts, frozen chicken imports carry health risks in countries that do not have suitable storage and distribution infrastructures. Preventing these risks is the responsibility of the state, African importers, and exporters, although no body seems to take responsibility for the task.

African Palm Oil and Asian Oil

In the 1990s, the arrival of Asian palm oil on the market upset the oilseed economy in Africa. The continent, an oil exporter thirty years ago, now imports it massively to satisfy rising demand caused by population growth, especially in urban areas.

Today, Asian countries are the ones that supply the European market. In 2004, the two largest suppliers—Indonesia and Malaysia—accounted for nearly 90% of the total. These countries even manage to sell large quantities of palm oil on the African market. Most African palm oil producers no longer export their oil and trade liberalisation tends to accentuate this trend.

The WTO negotiations have brought about a drop in customs duties that applies to countries such as Indonesia and Malaysia. Thus, the price of their exports is falling while that of African countries remains stable, as customs duties were already inexistent under the Lomé Conventions with the EU.

KEY POINTS

- *African countries' access to developed countries' markets has not noticeably improved with the implementation of the Agreement on Agriculture because of the persistence of agriculture supports and protection by the latter. The tariff escalation that limits the export of processed products and the inefficiency of quotas are also limiting factors.*
- *Dumping by developed countries persists. Developing countries, which cannot be sufficiently competitive in these conditions, lose export opportunities in the North and South, as well as market shares in their own countries.*
- *80% of African agricultural exports (commodities) suffer from the continual fall in commodities prices.*
- *The tariff reductions in developed countries mostly favour large agro-exporting developing countries, the majority of which are not in Africa. Thus, Brazil's and Thailand's (for example) shares of the world market are significantly improving, notably because of their large agricultural potential but also because of the existence of structured and effective agricultural policies.*
- *Africa's difficulties in defending its position on the world market comes from its inability to overcome the constraints of the AoA, modernise its agricultural sector, and strengthen its agricultural policies.*
- *From the standpoint of imports, the implementation of the WTO Agreements is pushing African countries to open their borders to food imports, continuing the trend begun under structural adjustment programmes.*
- *These imports have a direct impact on eating habits, which they modify, and local products are replaced by imported products. Because of this, staple crops do not benefit from the increased needs generated by Africa's strong demographic growth.*

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How to Take Action

Successfully influencing WTO trade negotiations depends in part on the variety of actors involved and the diversity of tactics employed; success is also a matter of coordinating processes and on-going efforts.

Strengthening agriculture is in the interest of everyone in Africa, although the role each actor can play is different.

THE ACTORS: WHO TAKES ACTION AND WHY?

Farmers' and Producers' Organisations

Farmers' associations and movements are the primary agricultural stakeholders. Most concerned by agriculture, their role is central to changing and strengthening African agriculture.

They have considerable capacity to disseminate information and mobilise their members. They have detailed understanding of their immediate surroundings, and play a decisive role in the concrete achievement of agriculture's potential. Yet, most of the time, farmers' and producers' organisations' (FOs) level of involvement in the definition of agricultural policies and international trade rules is low. As representatives of the majority of African populations, these organisations have an immense influential power, especially when they are well organised and coordinated.

Producers Mobilise to Save the Milk Commodity Chain in Kenya

In 1990, Kenya had one of the most modern dairy industries in Africa. Consumers preferred raw milk even in urban centres with the exception of Nairobi where consumers drank mostly pasteurised milk. Until 1991, the dairy industry was a state monopoly. Starting in 1991, this sector was liberalised in the framework of structural adjustment programmes and then WTO programmes, the consequence of which was a drop in customs duties and the end of marketing monopolies. Starting in 1998, a rapid rise in imports was noted, as was an increase in dairies using mainly inexpensive imported raw materials, notably milk powder from the European Union. By 2001, Kenya had gone from near self-sufficiency to being a net importer of dairy products. The industry, which had previously been growing rapidly, stagnated. Kenya's dairy sector became heavily dependant on imports and, because of this, vulnerable to rises in the price of imported milk powder.

In response to this rise in imports, local producers mobilised and initiated the introduction of a protection measure. In 2000, they formed a consortium to issue a call to the government. Lobbying was conducted in connection with the Kenya Dairy Board (the regulatory body). Today, Kenya's dairy industry is one of the most developed in sub-Saharan Africa.

The Role of Farmers' Organisations in Regulating Markets in Senegal

The farmers' organisations in Niayes Valley (northern Senegal) have entered a process that allows them to take part in several levels of negotiations, from the local to the national level. The Senegalese are major consumers of onions (from 130 to 140 thousand tons per year). Local onions are competing with imported onions. From 60 to 80 thousand tons are imported every year, and nearly 70 thousand tons are produced locally every year.

Onion growing is a profitable undertaking, with potential yields of nearly 30 tons per hectare, for example, in the Senegal River Valley. Finally, onion farmers and their organisations are constantly determined to control the quality of their crops and master their sales by placing their onions on the market.

Over several years, FOs established a multi-level consultation process:

- informal frameworks for exchange on the local market (1987 to 1997);
- local-level institution building (starting in 1997); and
- lobbying the national consultation committee (starting in 2003).

Informal frameworks allow the various actors in the commodity chain to agree on a set price range, verification mechanisms for follow-through on commitments, etc. They were formalised via the creation of an association of local actors. This association joined a national consultation and monitoring committee around the Market Regulation Agency (MRA). The MRA is a structure that allows simple and effective market regulation and protection mechanisms to be implemented, notably via import limitation. In compliance with WTO rules, Senegal uses the standard safeguard provisions (see factsheet 3). But, via the MRA, restrictions on imports are imposed during the 5-month sales period (from April to August) for local onions. During this period, Senegal has no need to import onions. This makes it possible to raise the price of local onions considerably.

The Positive Impact of Import Restrictions on Prices (in CFA francs)
(Source: information provided by the MRA)

	Local Onions			Imported Onions		
	2003	2004	2005	2003	2004	2005
Average Price April-July	90	138	206	300	313	325

This intervention shows that it is possible for farmers' organisations to defend their interests in the often-hostile context of liberalisation.

Civil Society Organisations

Civil society organisations (CSOs), whether community-based organisations, women's groups, NGOs or research institutes, all have different lobbying and advocacy capacities but can all contribute to the development of appropriate policies and promote sustainable practices. In some cases, these non-partisan institutions that represent various segments of society and have proven technical skills can provide the necessary analyses to support the development of pro-poor policies and initiatives. They can demonstrate the impact of policies on populations, provide independent data to support advocacy, and even facilitate training synergies involving, among others, farmers' organisations and, in some cases, government institutions.

Civil Society's Participation in Trade Negotiations

An Interview with Bernard Njonga, Secretary General of the Service d'appui aux initiatives locales (SAILD) and Chairman of the Association citoyenne de défense des intérêts collectifs (ACDIC)

During the Hong Kong Ministerial Conference, civil society representatives were part of Cameroon's official delegation. What effect did this have?

Following the campaign against frozen chicken that we ran with the ACDIC, we gained credibility in the eyes of our government who began to listen to us. This allowed us to begin negotiations to be part of the official delegation.

First, we participated in all the preparatory phases for the ministerial conference on national and sub-regional level. Finally, five civil society leaders, all of whom worked at the ACDIC, joined the official delegation.

The presence of civil society on the official delegation in Hong Kong allowed us to establish, in a certain manner, a bridge between the two worlds. We had access to all the official information and were able to share it with civil society.

In addition, we had real influence on the positions adopted by Cameroon. A true relationship of trust was established between us and the minister, who consults us as he would one of his advisors.

(cont.)

What is more, I feel it is important to emphasise the lack of organisation within international civil society during this ministerial conference. In my opinion, this obligatorily causes a lack of credibility and impact for the messages sent by civil society. Civil society must make progress in this area in priority if it wishes to weigh more heavily in international trade negotiations.

In your opinion, how can this participation by civil society in trade negotiations be made more effective and more credible?

Several steps must absolutely be followed.

First, to participate in trade negotiations and build a true political message, civil society must be organised and structured. Therefore, in my opinion, improving the operation of civil society structures and organisations seems to be a crucial preliminary step.

It is also crucial for civil society to build solid expertise on the subjects it wants to defend. Educating and informing oneself and gathering facts and figures are vital elements in preparing an irreproachable set of arguments.

Next, civil society must be able to identify its surroundings so as to recognise the forces present, the influences of politico-economic groups, and the mechanisms at work. This knowledge of stakeholders should allow civil society to better understand them and better confront them.

Once expertise has been obtained and the surroundings fully understood, the message should be elaborated. At this point, it is important to use the most appropriate dissemination tools for the surroundings in order to obtain quality results.

Finally, building alliances with partners and various other civil society actors is indispensable. Here, we can once again cite the example of ACDIC's frozen chicken campaign, which brought together the demands of producers and consumers.

Alliances between NGOs in developed and developing countries are also primordial. If these partnerships are to be effective, the various partners must identify shared objectives, and the various civil society organisations must work together in a coordinated and organised fashion.

All of these steps are necessary to spread a credible message backed by solid arguments widely. The quality of civil society's participation in trade negotiations depends on these elements.

EcoNews' and Seatini's Actions vis-à-vis Members of Parliament

Agreements and public policies cannot be modified over the short term. It necessitates the long-term, coherent, coordinated and targeted mobilisation of those involved, and must be accompanied by constant advocacy and lobbying.

EcoNews and Seatini are two East African regional NGOs that work on trade issues. They collaborate closely with members of parliament in East African countries so as to improve the latter's capability to participate effectively in trade negotiations (in particular WTO Agreements and Economic Partnership Agreements). Because they represent populations and ratify the trade agreements signed by their governments, members of parliament have a key role to play in guaranteeing that trade policies are fair.

EcoNews and Seatini help members of parliament become more aware of the stakes and better understand trade policies and agreements by giving workshops, disseminating information, encouraging them to attend conferences (WTO Ministerial Conferences), and keeping them informed of the progression of trade negotiations. EcoNews and Seatini have mostly worked with the Parliamentary Committees on trade for their respective countries (Kenya and Uganda), but they have also worked with the East African Legislative Assembly (EALA), the parliament for three East African countries (Kenya, Uganda and Tanzania). In 2002, the two organisations launched a training course for the East African Parliamentarians Liaison Committee for trade, which comprises the Trade Committees of four East African parliaments (those of the three countries and the EALA).

Since 2002, members of parliament's understanding of and participation in trade negotiations have improved. Thus, the members of parliament of East African countries participated effectively in the 5th and 6th Ministerial Conferences in Cancun and Hong Kong, where they defended equitable trade policies.

With Seatini's assistance, the Ugandan members of parliament presented a motion on EPAs during the ACP-EU Joint Parliamentary Assembly held in Barbados in November 2006. Ugandan members of parliament have come to grasp the full measure of the strategic importance of trade issues and are working to form a Trade and Development Forum that would include, in addition to members of the Trade Committee, members of other committees in relevant fields (agriculture, social services, investment, etc.).

Government Representatives

Government representatives, from technical advisors to ministers, and from ambassadors to members of parliament, have unquestionable decision-making power. In so much as they are responsible for making decisions on behalf of citizens, they must guarantee the effective participation of all groups of actors in the decision-making process. They must ensure that farmers have a say in making policy decisions and defining priorities. It is their responsibility to defend their citizens' livelihoods and sources of wealth, provide services, and protect citizens from exploitation by third parties (whether public or private).

These various actors can influence WTO rules in diverse ways. Thus, for governments, conducting joint action can maximise their influence in WTO negotiations. By uniting their forces, Benin, Burkina Faso, Chad and Mali are better able to defend their interests and fight American cotton subsidies, alongside Brazil, than each would be able to do alone.

HOW TO INFLUENCE TRADE NEGOTIATIONS

Instruments

Lobbying

By lobbying, we refer to the process and/or set of actions that one can use to influence people and institutions that hold power, and cause them to elaborate, modify or implement policies.

Several lobbying strategies have proven themselves. Yet, to be effective, all these strategies require one to forge relationships with decision-makers. These relationships will often open the door to an arena of collaboration, and allow NGOs to influence policy making, take part in decision-making processes, inform decision-makers, and give them the tools and information they need to ensure that the decisions that they make do indeed represent the interests of the majority.

Non-state actors can find it difficult to participate in and contribute to the discussions, in particular in the WTO where governments play the leading role, and because several sessions are reserved for government delegations only. Establishing con-

Lobbying and Negotiations in Kenya

The East African organisation, EcoNews Africa, attends the meetings of the National WTO Committee in Kenya. This is a relatively simple and very fruitful step: in most countries where such committees exist, it is simply a matter of showing interest and following the negotiations.

Being part of national trade committees allows one to stay informed, contribute to the negotiations, and influence the national position. Because civil society and farmers' organisations have access to research and expertise capabilities that can support the government's decision-making process, their participation is also seen as useful by government representatives.

Participating in the WTO negotiations by being part of the official delegation is another way to lobby. Prior to the 2005 WTO Ministerial Conference in Hong Kong, EcoNews Africa formally requested to be part of Kenya's official delegation. This request, facilitated by the ongoing relationships with government officers developed by EcoNews through the National WTO Committee, was granted.

This success allowed it to have first-hand access to information and the negotiations, and created an opportunity to influence national positions directly and, by so doing, influence the negotiations. This was also the case for the representatives of the Association citoyenne de défense des intérêts collectifs (ACDIC), a Cameroonian NGO, that attended the 6th WTO Ministerial Conference in Hong Kong.

structive relationships with national government representatives can therefore be a way to open a place at the negotiating table for non-state actors.

Advocacy

Advocacy refers to the set of actions undertaken to garner the active support of a wide public for a cause and/or policy. Advocacy also aims to change a situation, but to do so by different means of action than lobbying. Because it does not need to be directly focused on decision-makers, advocacy seeks rather to influence and lead to action all those who can influence decision-makers. For this, popular mobilisation and media are two strategic tools.

Lobbying and Advocacy in Cameroon

In Cameroon, a local NGO, the Association citoyenne de défense des intérêts collectives (ACDIC), has decried the importation of frozen chicken from Europe since 2001. At the time, it conducted a vast advocacy and lobbying campaign, which was relayed by European associations. The government authorities and consumers became highly aware of the health and economic consequences of consuming imported frozen chicken. The majority of consumers supported banning frozen chicken imports, and preferred to eat more expensive local chicken despite their low purchasing power.

The campaign caused the authorities to react by subjecting imported chicken to a protection measure. This measure had a very positive effect on national production. The vitality seen in the poultry sector in Cameroon shows that it is possible to trigger a national development process for production sectors by creating conditions that are conducive to their development. This does, however, require politicians to be determined to promote the development of agriculture in their countries.

Popular Mobilisation

One of the main challenges for advocacy in the field of international trade is populations' poor knowledge of the stakes, processes and potential pressure points. For the most part, trade policy remains a specialised field, and only a few well informed people are able to participate in the negotiations or influence them from the outside. These rare "insiders", government representatives in particular, are responsible for informing and including other actors in the decision-making process.

FOs' large constituencies can be a decisive influence in national and regional power dynamics that can guarantee a role for them in the decision-making process. The expression of citizenship by those who work in the agricultural sector—the majority of the African population—is a powerful force as much as it is an argument for the decision-makers who negotiate on their behalf. FOs have the capacity to inform, raise awareness among, and mobilise masses.

During the WTO Ministerial Conference in Cancun, the Farmers' Confederation of Burkina Faso (CPF) was a leading actor in mobilising farmers in Burkina Faso. Prior to the conference, it raised awareness among and gathered petitions from more than one million farmers, organised marches, and wrote memos to the ministers of agriculture and trade. This pre-Cancun mobilisation helped governments form a pro-farmer position and supported the coalition of the Cotton Four (Burkina Faso, Mali, Benin and Chad) who defended the interests of African cotton producers in the negotiations.

The Keys to Success

The Media

The media can be a powerful ally in advocacy. Not only is the media the first source of information for many, it also increases opportunities to spread messages, the level of support for advocacy objectives, and the ability to influence decision-makers.

Working with journalists can help increase media coverage. Some tools to mobilise the media are:

- providing the press with regular and well-researched information,
- working with opinion leaders to increase the attention paid by the press to the issues, and
- training journalists to give them a minimum of useable knowledge to assess and cover ongoing negotiations and current trade issues.

By facilitating the participation of journalists in the Cancun and Hong Kong ministerial conferences, the organisation ENDA Third World regularly documented the negotiation process through its *Passerelles* newsletter. This newsletter has become a reference for information provided by journalists and used by other members of the press (see factsheet 11).

Farmers' Organisations

Promoting farmers' organisations when addressing agriculture and trade issues is crucial to ensuring that the interests of the majority of the African population and the social objective of poverty alleviation remain at the heart of the negotiations. Building FOs' institutional capacities can help them become a true influential force in the elaboration of domestic agricultural policies and their governments' negotiation positions.

Alliances

Advocacy undertaken by only one person or institution can rarely be successful. There is strength in diversity and numbers: forces come together for joint action, and workloads and often limited resources can be shared. Alliances can range from loose networks (which can be temporary and informal with a limited structure that mainly aims to facilitate information sharing) to full coalitions that have formal structures with shared decision-making and a joint strategy of action.

RECAO and REPAOC: Two Regional Networks

The Réseau des chambres d'agriculture de l'Afrique de l'Ouest (RECAO, the network of West African chambers of agriculture)

In West Africa, chambers of agriculture were set up against a backdrop of professionalism-building for farmers and a desire for representation within consular bodies so as to be interlocutors of the state. These chambers must fulfil three major functions: (i) represent the various categories of farmers, (ii) advise farmers, and (iii) act as intermediaries between the agricultural world and government authorities and formulate proposals. Their status is that of public professional establishments.

In 2001, a network of these chambers was set up in West Africa. The RECAO is a regional professional non-profit association; it has legal status and is financially autonomous. It brings together the chambers of agriculture in seven countries: Benin, Burkina Faso, Côte d'Ivoire, Guinea, Mali and Togo. Its mandate is to coordinate the actions of its member chambers and represent agricultural professional interests in the sub-region, throughout the continent, and internationally. Accordingly, the ECOWAS Secretariat regularly includes it in its consultations. It is also involved in the EPA preparation process.

Usually, RECAO and West African FOs work to harmonise their positions. For instance, in 2005 in Cotonou, within the "farmers' organisations" working committee on the ECOWAP formulation/summary document, they notably proposed a vision of agriculture: "A modern and sustainable agriculture, based on family exploitation and equitable distribution and management of resources, ensuring sufficient and reliable incomes, allowing producers to live decently, profit by their job and contribute to a more attainable regional integration!" They also proposed that extra-regional trade be regulated and supervised, which would notably allow supply to be regulated and the import of agricultural products at discount prices to be limited. *(cont.)*

The Réseau des Plates-formes d'ONG d'Afrique de l'Ouest et du Centre (REPAOC, the network of West and Central African NGO platforms) (www.repaoc.org)

This network was created after a series of meetings: the meetings organised by CONGAD (the development support NGO council, Senegal) in Dakar in 2005, and then the 2006 World Social Forum in Bamako. This network's strong points are its confederal nature, its consensual decision-making process, its regional representativeness, and the rapid progression of its structure. Technical animation and the presidency have been entrusted to CONGAD for two years. The REPAOC aims to support its members so as to ensure the longevity and improved professionalism of national NGO platforms by pooling acquired knowledge and facilitating access to support for methodology, logistics and finances. The REPAOC's principal function is to facilitate speaking with a shared voice by NGOs in West and Central Africa.

Each national NGO platform is put in charge of writing a position paper on one or more major regional or international stakes. The REPAOC is aware that certain problems encountered at the local scale can only be solved in higher political spheres (nationally, regionally or internationally). To facilitate the identification of solutions, the REPAOC facilitates the real participation of field actors able to provide national, regional and international public authorities with direct testimony and analyses based on concrete realities.

The NGO Africa Trade Network (ATN) brings together twenty-five organisations from fifteen African countries. It is an excellent example of this type of alliance. This network has been able to influence decision-makers at regional, pan-African and global level. It also has observer status within the African Union, another channel of influence.

ROPPA, the network of West African farmers' organisations, is another such alliance, although more formal and structured. During the elaboration of ECOWAS' common agricultural policy (CAP), ROPPA was able to influence the discussions, ensuring that the policy went beyond food security to embrace the concept of food sovereignty. ROPPA was also very effective in causing WAEMU to recognise the concept of "family farm".

Although the advantages of alliances are clear, there are a few things to consider before joining an alliance:

- Synergies in vision and objectives are the basis for any type of alliance. Lack of such coherency could render an alliance useless, or even counter-productive.

- Even though alliances provide an opportunity to pool resources, they also require an investment from each of their members. It is important to assess your organisational capacity to invest in an alliance prior to joining one.
- Joining an alliance means, to some extent, agreeing to work under a joint umbrella, a shared label. One must, therefore, be ready to accept that sometimes the organisation's identity will be overshadowed by the alliance.

Information and Research

To be able to influence a process one must know the stakes and stay abreast of developments in the field. Trade issues are complex and although negotiations may seem to move slowly at times, the small victories or defeats along the way depend on continuous advocacy, which must always be in phase with the advance of negotiations.

Building capacities in the field of economics is an urgent necessity for all actors in Africa. The ability to influence trade policy depends greatly on the knowledge that the various stakeholders have and their ability to assimilate this knowledge. There are several opportunities, both on and off the continent, to

anti-EPA protest in Yaoundé (Cameroon)

ACDIC

strengthen one's understanding of the WTO institution and its actions, and to stay on top of developments in a rapidly changing context.

Independent research on specific sectors allows actors to provide hard evidence and tangible facts to support advocacy. Research allows one to gather the most relevant information and develop the most appropriate arguments for different audiences. The impact assessments and policy briefs published by the Third World Network (TWN)–Africa are examples of timely and strategic contributions to trade processes that are often crucial for African negotiations. TWN's research also helps other organisations document their own advocacy initiatives (see factsheet 11).

Another field of research of particular importance in Africa deals with quality control for goods that enter the territory. With the rise in imports on the continent and the limited capacity of most countries to verify and assess quality, African consumers are at risk of being exposed to inappropriate products. Thus, in a 2003 study on chicken imports in Cameroon, the Pasteur Institute concluded that 85.3% of frozen chicken cuts sold on local markets were unfit for consumption. These sanitary problems are due to the lack of local equipment to conserve the frozen cuts properly.

Finally, one must know that by modifying the balance of power, advocacy often provokes resistance. In some way, it challenges the dominant political, social and economic positions by calling into question the decision-making process and demanding that previously marginalised segments of the population participate and have a place at the table.

In the field of agriculture, the marginalised are the majority. Their numbers give them power and this majority can tip the balance of power. But change is not without risk, and these risks must be carefully evaluated beforehand.

STRATEGIES TO ADAPT TO WORLD TRADE

Meet International Export Standards

One of the major challenges for Africa's agricultural exports to the rest of the world, especially Europe, has been and still is the very stringent standards that producers must meet in order to have access to foreign markets. Knowledge and application of these standards can facilitate domestic, regional and global market access.

More and more, associations and organisations, including the Association of Private Irrigation Professionals and Linked Activities (APIPAC) of Burkina Faso and the FAO, are focusing their action on building the capacity of producers to meet these standards according to the demands of the market.

The notion of standards intervenes at three major stages in the production process:

1. **Production:** Pesticides must be sprayed in accordance with dosage and time-before-harvest requirements to ensure that the product does not contain the active agent.
2. **Harvest:** Specific harvesting methods must be used to prevent the product from spoiling rapidly.
3. **Packaging:** Storage temperatures must be respected to guarantee conservation.

Botswana Beef and European Standards

Since the 1990s, the EU has been developing actions to help ACP countries comply with its standards. Without such compliance, it is impossible to export products to this zone. This technical support has allowed Botswana to improve its capacity to comply with EU standards.

Indeed, Botswana had wanted to export its beef to the European market since the 1980s. Unfortunately, the country's exporters were faced with the obstacle of standards. They could not export their product to the European market because beef, to be sold on this market, must have a series of characteristics that aim to ensure that the product is fit for consumption.

The quality of the product depends on several factors: rearing conditions, quality of cattle feed, veterinary care, slaughter conditions, type of packaging, cold chain, etc.

Botswana's producers did not have the expertise to produce meat that met the required standards. To overcome this difficulty, the government asked the EU to send technical assistants to the country with the goal of teaching beef producers what to do to meet European standards. This assistance ultimately had good results.

(cont.)

Today, Botswana exports large quantities of beef to the EU market because the beef is now produced in compliance with EU standards.

In 2004, out of the country's 2,867 billion dollars in exports, 56 million (2%) came from beef exports worldwide. The same year, beef exports to the EU amounted to 46 million dollars.

Promote Consumption of Domestic Products

While policy change is necessary to establish a framework for pro-poor growth, the practices that support this growth are equally important.

The private sector is often forgotten in pro-farmer trade advocacy. Yet, because of its position on imports, it can play an important role in supporting the consumption of domestic products by buying and selling local products. Government representatives can also make public purchases of local products for public establishments such as schools and hospitals. Civil society organisations and farmers' organisations can encourage their constituencies to buy local products.

This is reflected in one of ROPPA's campaigns, "Africa Can Feed Itself" ("Afrique Nourricière"), which seeks to give West Africans better understanding of local agricultural products and their high nutritional value, and encourage them to consume local products.

Reconcile Agricultural Development and Consumers' Interests

The state must arbitrate between the arguments for development and those for trade. Its concern is to protect African agriculture and farmers to ensure that there is a domestic market with remunerative prices. At the same time, it must take into account urban and rural populations' very low standards of living.

It is the responsibility of governments to arbitrate between these different interests and find a balance through policy decisions. These choices, based on equity, would preserve the purchasing power of consumers, notably those in cities, while also giving African producers their place as citizens. In addition, in the medium term, agricultural development has a driving effect on the rest of the economy, and would therefore benefit the entire country.

The Evolution of Production Practices in Senegal

In Senegal, the population regularly consumes *lait caillé* (sour milk, similar to yoghurt) plain or with local cereals. However, stock farming policies have not favoured this sector. Every year, the country imports the equivalent of 250 million litres of milk, 95% of which in the form of powdered milk. To withstand this competition, organised producers and entrepreneurs set out to master dairy processing using milk from local and sometimes mixed-breed cows. Their products (*lait caillé* and cow butter) are very popular among consumers.

Steer Trade towards Domestic and Regional Markets

Domestic and regional markets are less vulnerable than international markets since they have shorter supply chains and truly high demand. Small-scale agricultural production can successfully be steered towards these domestic and regional markets.

Agricultural trade among developing countries has increased steadily over the past fifteen years. Since 1980, exports within sub-Saharan Africa have grown from 8% to 20% while imports have grown from 12% to 22%. African countries are strengthening their trade links with each other. This trend, if encouraged and accompanied by appropriate policies, could significantly strengthen agriculture in Africa.

Food Sovereignty and Protection in the ECOWAP: A Policy Demand by Producers

For farmers' organisations and civil society actors, the adoption of the ECOWAS agricultural policy (called ECOWAP) was a step in the right direction. That is to say, bringing the international community to acknowledge "the right to maintain, protect and develop our food capacity, while respecting the diversity of our products and our crops, without harming the food sovereignty of other countries". These actors demand fair international rules in favour of fair trade. For them, ECOWAS should exercise its right to food sovereignty and *(cont.)*

do so immediately for the most sensitive products: rice, milk, meat (beef, poultry), edible oils, etc. These products could benefit from special measures in the framework of the WTO. They could be withdrawn from the CET and protected with sufficiently high import taxes that could vary in function of the world market. This schema is also valid for the other regional African bodies that unilaterally suffer from the effects of liberalisation.

KEY POINTS

- *Farmers' and producers' organisations occupy a central role in changing and strengthening agriculture in Africa, a role that is still under-exploited when agricultural policies and international trade rules are defined.*
- *Civil society organisations can also contribute to the elaboration of appropriate policies by providing arguments based on analysis and studies.*
- *Government representatives must involve all stakeholder groups in the decision-making process. It is their responsibility to defend the livelihoods and sources of wealth of the citizens they represent.*
- *There are several instruments to influence trade policy discussions and negotiations: lobbying, advocacy and popular mobilisation.*
- *The media and alliance-building can be used to help improve the effectiveness of these instruments.*
- *Over the longer term, strengthening farmers' organisations and the information and research sector fosters the acquisition of better knowledge and better access to information for more effective positions and decisions.*
- *Acting in the field of international trade can also take the form of the establishment of measures—agricultural policies in particular—that allow one to adapt to the WTO's rules and better profit from them. Having the ability to comply with the standards required for export, protecting one's local market and thereby one's agriculture and farmers, and optimising regional outlets are also means of action.*

Sources

Agritrade, agritrade.cta.int
ICTSD, www.ictsd.org
Seatini, www.seatini.org
TWN-Africa, www.twnafrica.org

For More Information

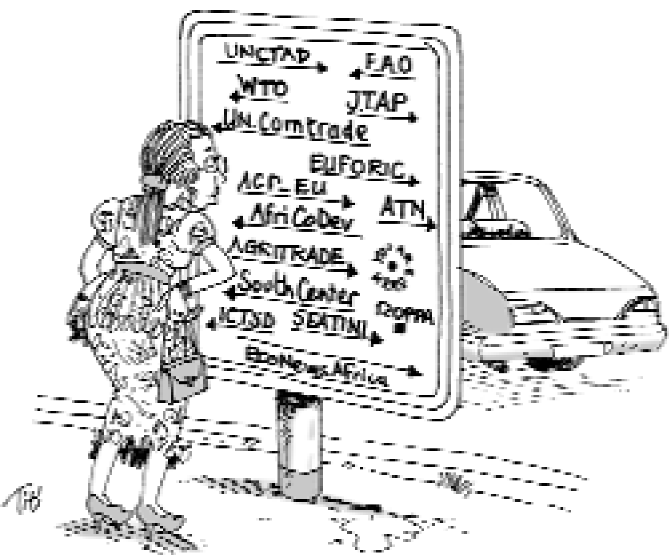
WEBSITES

International Organisations

- **UNCTAD (United Nations Conference on Trade and Development)**

  www.unctad.org — Website in French, English and Spanish

  Established in 1964, UNCTAD promotes the development-friendly integration of developing countries into the world economy. Every year, it publishes the annual *Trade and Development Report*.



Its **Info Comm** website is devoted to market information in the commodities sector:
www.unctad.org/infocomm/anglais/indexen.htm

UNCTAD, Palais des Nations, 8-14 avenue de la Paix,
1211 Geneva 10, Switzerland
Tel.: +41 22 917 5809 - Fax: +41 22 917 0051 - Email: info@unctad.org

- **FAO (Food and Agriculture Organization of the United Nations) – Trade in Agriculture, Fisheries and Forestry**

www.fao.org/trade/index_en.asp
Website in French, English and Spanish

This site is maintained by the FAO Inter-Departmental Task Force on Assistance for WTO Trade Negotiations. Its vocation is to enhance the FAO's support to its members, particularly developing and transition countries, for their effective participation in multilateral trade negotiations on agriculture. To do so, it disseminates information and analyses (on the site: news, the text of multilateral agreements, product dossiers, etc.) and provides training and capacity-building in the field of trade for these countries.

Contacts for the FAO's assistance for WTO trade negotiations:
www.fao.org/trade/cont_en.asp

Among the contacts listed: FAO, Economic and Social Development Department, Viale delle Terme di Caracalla, 00100 Rome, Italy.

Alexander Sarris, Director, Commodities and Trade Division (ESC).
Tel.: (+39) 06 570 54201 - Fax: (+39) 06 570 54495 -
Email: Alexander.Sarris@fao.org

- **IFAP (International Federation of Agricultural Producers)**

www.ifap.org — Website in French, English and Spanish

The International Federation of Agricultural Producers is the world farmers' organisation. Created in 1946, it represents more than 600 million farm families grouped in 115 national organisations in 80 countries. IFAP has General Consultative Status with the Economic and Social Council of the United Nations.

IFAP - 60, rue Saint-Lazare - 75009 Paris, France.
Tel.: +33 1 45 26 05 53 - Fax: +33 1 48 74 72 12 - Email: ifap@ifap.org

- **JITAP (Joint Integrated Technical Assistance Programme) – A Partnership for Trade Development in Africa**

www.jitap.org — Website in French and English

The Joint Integrated Technical Assistance Programme for least developed and other African countries is an initiative of the WTO, UNCTAD, and the International Trade Centre (ITC). It aims to help participating African countries take better advantage of the new multilateral trading system. The programme is subdivided into five modules. Module 3, for example, aims to build countries' capacity to participate more fully in future WTO negotiations and in other arenas (provision of tools and training programmes on the various aspects of the multilateral trading system, especially those that are the subject of active negotiations within the Doha working programme).

ITC UNCTAD WTO, Palais des Nations, 8-14 av. de la Paix,
1211 Geneva 10, Switzerland.

- **WTO (World Trade Organisation)**

www.wto.org — Website in French, English and Spanish

On its website, the WTO provides access to a very wide range of resources: technical documents (trade policy notifications and country trade policy assessments), legal texts, analytical documents (notably impact assessments), statistics, updates on the negotiations, learning modules, etc.

> WTO resource portal (access to statistics, analyses and publications, as well as interactive training modules):
www. wto.org/english/res_e/res_e.htm

> Access to WTO documents (legal texts of WTO agreements and online documents): www.wto.org/english/docs_e/docs_e.htm

WTO, rue de Lausanne 154, CH-1211 Geneva 21, Switzerland.
Tel.: (41-22) 739 51 11 - Fax: (41-22) 731 42 06 - Email: enquiries@wto.org

- **UN Comtrade (United Nations Commodity Trade Statistics Database)**

comtrade.un.org — Website in English

UN Comtrade is the website of the United Nations Statistics Division devoted to international commodity trade statistics.

STATISTICS DIVISION, United Nations, New York, NY 10017, United States.
Fax: +1 212 963 9851 - Email: statistics@un.org - Email: comtrade@un.org

- **La Via Campesina**

www.viacampesina.org — Website in French, English and Spanish

Created in 1993, La Via Campesina is an international farmers' movement that defends the values and interests of its members. La Via Campesina is an autonomous, pluralist and multicultural movement independent of any political, economic or other type of affiliation. Its members come from 56 countries in Asia, Africa, Europe and the Americas.

VIA CAMPESINA, Jl. Mampang Prapatan XIV No. 5,
Jakarta Selatan, DKI Jakarta, Indonesia 12790.
Tel.: +62 21 7991890 - Fax: +62 21 7993426

Resources Centres in Africa

- **ATN (Africa Trade Network)**

www.twnafrica.org/atn.asp — Website in English

Created in 1998 and coordinated by Third World Network–Africa (TWN-Africa), the ATN network is made up of 25 members from 15 African countries. It has observer status within the African Union and the UNECA, and maintains close relations with UNCTAD. It is the principal vector for TWN-Africa's work on trade policy and investment issues in Africa. It has notably provided information, trained civil society organisations on trade policies, and mobilised them to participate in WTO negotiations.

THIRD WORLD NETWORK, Africa, 9 Ollenu Street, East Legon,
P.O. Box AN19452, Accra-North, Ghana.
Tel.: 233 21 503669 / 500419 / 511189 - Fax: 233 21 511188 -
Email: contact@twnafrica.org

- **EcoNews Africa**

www.econewsafrica.org — Website in English

EcoNews Africa is a regional NGO based in Kenya. Its objective is to strengthen the role of East African NGOs and community-based organisations so that they can influence policy orientations in regard to sustainable development, and trade and information in particular.

EcoNews Africa - Mbaruk Road, Off Mucai Drive,
(Ngong Road) PO. Box 10332, 00100 GPO Nairobi, Kenya.
Tel.: (254 20) 2721076 / 99, 2725743, 2721655 - Fax: (254 20) 2725171 -
Email: info@econewsafrica.org

- **ROPPA (Réseau des organisations paysannes et de producteurs de l'Afrique de l'Ouest)**

www.roppa.info — Website in French

Founded in 2000, the network brings together organisations and "frameworks of dialogue" from 10 West African countries (Benin, Burkina Faso, Côte d'Ivoire, Gambia, Guinea, Guinea-Bissau, Mali, Niger, Senegal and Togo). Its primary objectives are to promote sustainable family farming, encourage the structuring of farmers' and agricultural producers' organisations with an aim towards their participation in the definition and implementation of agricultural development policies and programmes, and represent organisations regionally and internationally. Its site offers updates on international agricultural negotiations and world trade news, and online resources.

ROPPA, 09 BP 884 Ouagadougou 09, Burkina Faso.
Tel.: (226) 50 36 08 25 - Fax: (226) 50 36 26 13 - Email: roppa@roppa-ao.org

- **Seatini (Southern and Eastern African Trade Information and Negotiations Institute)**

www.seatini.org — Website in English

Seatini is an African initiative to strengthen Africa's capacity to take a more effective part in the global trading system and better manage the globalisation process. It deals specifically with issues and debates around the WTO and Africa's relationships to it. Seatini takes part in a cotton campaign in southern Africa to improve the lot of small farmers that are victims of the drop in the price of cotton (Cotton Campaign section).

SEATINI, Plot 2 Sturrock Road, Kololo, PO Box 3138, Kampala, Uganda.
Tel.: (256) 41 540 856 - Email: seatini@infocom.co.ug

- **TWN-Africa (Third World Network – Africa)**

www.twnafrica.org — Website in English

TWN-Africa is the African branch of the Third World Network, an international network of independent organisations and people involved in development issues and North-South relations. TWN-Africa carries out research and advocacy for better consideration of the interests of the peoples of African and other third world countries (especially marginalised social groups), for fairer distribution of the world's resources and for sustainable and human development. It forms a platform that represents the interests of developing countries within international organisations. In particular, it monitors international negotiations, notably those of the WTO, via the Africa Trade Network (ATN).

> *African Agenda*, the bimonthly journal in English (with articles translated into French) offers a few articles online.

> *African Trade Agenda*, a monthly (but irregularly published) newsletter – online.

TWN-Africa, 9 Ollenu Street, East Legon, PO. Box AN19452, Accra-North, Ghana. Tel.: 233 21 503669 / 500419 / 511189 - Fax: 233 21 511188 - Email: contact@twnafrica.org

THIRD WORLD NETWORK, 131 Jalan Macalister, 10400, Penang, Malaysia. Tel.: 60-4-2266728 / 2266159 - Fax: 60-4-2264505 - Email: twnet@po.jaring.my - www.twnside.org.sg

Resources Centres in Europe

◆ ACP-EU-trade.org

www.acp-eu-trade.org — Website in English and French

ACP-EU-trade.org presents itself as a non-partisan portal for resources on Africa-Caribbean-Pacific-European Union trade relations, developed at the initiative of the European Centre for Development Policy Management (ECDPM) and Ecorys, with the support of the Organisation internationale de la Francophonie (OIF) and the Department for International Development (DFID). It makes numerous resources available to decision-makers and negotiators.

See notably:

> the monthly e-newsletter in English;

> the summaries on key points of Economic Partnership Agreements in the “In Brief” series for 2006-2007: Economic Partnership Agreement (EPA) Negotiations;

> the bimonthly *Trade Negotiations Insights* on the negotiations from Doha to Cotonou by the ECDPM and ICTSD (see below) covering the principal difficulties that African and ACP countries must face in their international trade negotiations within the WTO and with the European Union in the framework of the Cotonou Agreement.

Email: acpeutrade@ecdpm.org

◆ AfriCoDev

www.ictsd.org/africodev/index.htm

AfriCoDev is a French-language portal on trade and sustainable development that is part of the ICTSD’s (see below) capacity-building programmes for French-speaking countries, and the OIF through its Rexpaco project (reinforcing French-language expertise in trade agreement negotiation). The site presents news and a selection of analyses and official documents classified by


Cécile Broutin

millet harvest

subject on the WTO trade negotiations, the Economic Partnership Agreements between the European Union and ACP countries, and regional integration in Africa.

It publishes a newsletter, *Bridges* (also in French titled *Passerelles entre le commerce et le développement durable*).

ICTSD, the International Environmental House 2, 7 Chemin de Balexert, 1219 Châtelaine, Geneva, Switzerland.
Tel.: (41-22) 917-84 92 - Fax: (41-22) 917-80 93 - Email: ictsd@ictsd.ch

◆ **Agritrade**

agritrade.cta.int — Website in French and English

Agritrade is a portal run by the Technical Centre for Agricultural and Rural Cooperation (CTA) devoted to the international trade in agricultural products in the framework of ACP-EU relations. The portal is destined for ACP country actors involved directly or indirectly in agricultural trade negotiations.

> Large sections present news and summary papers on international agricultural trade (Economic Partnership Agreements, reform of the Common Agricultural Policy, WTO agreements, market access, food security), commodities (cereals, bananas, rice, sugar, beef and veal, tea, horticulture, dairy products, etc.) and the fisheries sector.

> A monthly e-newsletter is published on issues pertaining to the international trade in agricultural products and a bimonthly e-newsletter is devoted to the fisheries sector. Site visitors can subscribe to a bimonthly news alert.

CTA, BP/PO Box 380, NL 6700 AJ Wageningen, Netherlands.
Tel.: +31 (0) 317 467100 - Fax: +31 (0) 317 460067 - Email: cta@cta.int

- **Agtradepolicy.org**

www.agtradepolicy.org

Agtradepolicy.org is the ICTSD's portal (see below) for agriculture and sustainable development within the global trading system: news, online resources (WTO reports, articles and documents, information on recent debates, event schedule, and links to other useful websites).

ICTSD, Chemin des Anémones 13, 1219 Châtelaine, Geneva, Switzerland.
Tel.: (41-22) 917-8756 - Fax: (41-22) 917-8093. Contact: Jonathan Hepburn, Programme Officer, Agriculture - ICTSD: jhepburn@ictsd.ch

- **South Centre**

www.southcentre.org — Website in French, English and Spanish

South Centre is an intergovernmental organisation for 49 developing countries; it was created in 1995 to improve collaboration between southern countries and the defence of their common interests in various forums dealing with South-South and North-South issues. Since 1998, it has provided developing countries with support for WTO negotiations through research and policy analysis.

South Centre, 17-19 chemin du Champ d'Anier, 1209 Petit Saconnex, Geneva.
Mailing address: CP 228, 1211 Geneva 19, Switzerland.
Tel.: +41 22 791 80 50 - Fax: +41 22 798 85 31 - Email: south@southcentre.org

- **ECDPM (European Centre for Development Policy Management)**

www.ecdpm.org — Website in French and English

The European Centre for Development Policy Management's mission is to improve relations in the field of trade and aid between the European Union and Africa, Caribbean and Pacific (ACP) countries. With its ACP-EU Economic and Trade Cooperation programme, it aims to contribute to the establishment of a trade regime that fosters sustainable development and the inclusion of ACP countries in the global economy. Access to numerous resources and publications.

> See in particular **ACP-EU-trade.org**, the resource portal on ACP-EU trade relations that it runs with Ecorys.

ECPDM, Onze Lieve Vrouweplein 2, 6211 HE Maastricht, Netherlands.
Tel.: +31 (0)43-350 29 00 - Fax: +31 (0)43-350 29 02
Email: info@ecdpm.org

- **Euforic (Europe's Forum on International Cooperation)**

www.euforic.org

Euforic is a non-profit cooperative that brings together NGOs, research and training institutes, networks, governments, etc. Its informative site on cooperation and development is destined for professionals and institutions in the fields of international cooperation and development.

It provides numerous links to Euforic's and its members' sources of information: summaries, news, portals, online documents, etc.

> See the ACP Trade section and the ACP-EU civil society information network, a project that aims to promote the exchange of information between civil society actors in ACP countries and the EU, and build their capacities: acp-eu.euforic.org/civsoc

EUFORIC, Wycker Grachtstraat 38, 6221 CX Maastricht, Netherlands.
Tel.: +31 43 3285 180 - Fax: +31 43 3285 185 - Email: info@euforic.org

- **Grain**

www.grain.org — Website in English, Spanish and French

GRAIN is an NGO whose goal is to promote the sustainable management and use of agricultural biodiversity based on people's control over genetic resources and local knowledge. News and online resources.

GRAIN, Girona 25, pral., E-08010, Barcelona, Spain.
Tel.: +34 933011381 - Fax: +34 933011627 - Email: grain@grain.org

- **IATP (Institute for Agriculture and Trade Policy)**

www.iatp.org — Website in English

The IATP is an American NGO, based in Minneapolis, whose vocation is to promote family farming, rural communities and ecosystems around the world through research and education, science and technology, and advocacy.

Among its activities, the IATP works with organisations around the world to analyse the impact that trade agreements have on family farming and food policies.

> See the **IATP Trade Observatory**, whose vocation is to gather and disseminate information on international trade (news, on-line documents): www.tradeobservatory.org

IATP, 2105 First Avenue South, Minneapolis MN 55404, United States.
Tel.: +1 (612) 870-0453 - Fax: +1 (612) 870-4846 - Email: iatp@iatp.org

IATP, Trade Information Project, 15 rue de Savoises, 1205 Geneva, Switzerland. Tel.: +41 (22) 789 0734 - Fax: +41 (22) 789 0733.
Contact: Carin Smaller, project director - Email: csmaller@iatp.org

◆ **ICTSD (International Centre for Trade and Sustainable Development)**

www.ictsd.org
Website in English

ICTSD is an NGO whose purpose is to improve knowledge of development and environmental problems in the context of international trade. It allows a wide range of actors to take part in the debates on trade and sustainable development. The site offers news and numerous online resources.

> *Passerelles entre le commerce et le développement durable*, the French-language regional edition of *Bridges*, is published every two months by ICTSD and ENDA Third World: www.ictsd.org/africodev/edition/passerelle/passerelle.htm

> See in particular **AfriCoDev**, the ICTSD and OIF's French-language portal on trade and sustainable development: www.ictsd.org/africodev/index.htm

> See also **Agrtradepolicy.org**, the ICTSD's portal on agriculture and sustainable development within the world trading system: www.agtradepolicy.org/index.htm

ICTSD - the International Environmental House 2, 7 Chemin de Balexert, 1219 Châtelaine, Geneva, Switzerland.
Tel.: (41-22) 917-8492 - Fax: (41-22) 917-8093 - Email: ictsd@ictsd.ch

SELECTED BIBLIOGRAPHY

Books

- **Commerce international et développement durable. Voix africaines et plurielles**

  Dossier coordinated and edited by Ricardo Meléndez-Ortiz and Christophe Bellmann, Geneva, ICTSD, Paris, Éditions Charles Léopold Mayer, 2003, 330 pgs.

  This work brings together contributions of authors, most of whom are African from diverse horizons (academics, government representatives, non-governmental organisations, international civil servants), on the issue of international trade and sustainable development as it presents itself in the African context.

  The subjects addressed deal with the link between trade and food security, intellectual property rights and biological resource management, fisheries, and export market access difficulties.

- **Special report: Les citoyens du Sud face au commerce mondial**

  Défis Sud, No. 73, May-June 2006, pp. 17-37

  How can citizens of the south influence the negotiations that governments conduct at the WTO? State of the issue and debates underway in Southeast Asia, Africa and Latin America.

- **Multilateral Trade Negotiations on Agriculture: a Resource Manual**

  FAO, 2001

  This handbook written for high-level civil servants in charge of implementing the WTO agreements in the field of agriculture, fisheries and forestry and those who are involved in new negotiations. It contains an analysis of issues pertaining to domestic support measures, export subsidies and market access, as well as the role of special and differential treatment, safeguard provisions and trade, and food security in the Agreement on Agriculture.

  The handbook also covers the application of sanitary and phytosanitary measures and technical barriers to trade, as well as trade-related aspects of intellectual property rights and more specifically those that have implications for agriculture.

Online at: www.fao.org/DOCREP/003/X7351E/X7351E00.HTM

French version: Les négociations commerciales multilatérales sur l'agriculture : manuel de référence*, Rome, FAO, 2001. 4 vol. + 1 booklet.*

- **WTO and EPA Negotiations: For an Enhanced Coordination of ACP Positions on Agriculture**

  Arlène Alpha, Benoit Faucheux, Bénédicte Hermelin and Vincent Fautrel, Maastricht, ECDPM, 2005, 45 pgs., ECDPM Discussion Paper No. 70

  ACP countries are participating in two parallel rounds of negotiations that are of crucial importance for their trade and agricultural policies: the agriculture negotiations in the WTO, and the Economic Partnership Agreement (EPA) negotiations with the EU.

  ACP countries are faced with a number of questions: How to approach the two rounds of negotiations? What negotiating strategy should they adopt bearing in mind the potential interaction between the negotiations? To which round of negotiations should they give priority? In which round should they propose the most ambitious commitments and with regard to which negotiating points? The aim of this paper is to discuss potential responses to those questions by showing to what extent the WTO and EPA negotiations interact and can be linked.

  Online at: www.ecdpm.org

- **International Trade Negotiations and Poverty Reduction: The White Paper on Cotton**

  Edited by Eric Hazard (Enda Prospectives Dialogues Politiques), Dakar, Enda Editions, 2005, 162 pgs., Occasional Papers, No. 249

  The goal of this publication is to contribute to thought on the issue of sustainable development for African cotton commodity chains and Southern agricultures. Its contents derive from a workshop organised by ENDA Third World, the African Cotton Association (ACA) and the Association of African Cotton Producers (AProCA), which was held in Saly, Senegal, on 6-7 May 2005, on the question of cotton as it is raised in the WTO.

  Following a review of the history of the Cotton Initiative in light of the Hong Kong international negotiations, the second part of the book re-examines the power relations and alliances that have formed around this case.

  The third section highlights the varied forms of resistance, and also the room for manoeuvre that actually exists.

  Online at: www.ictsd.org/ministerial/hongkong/docs/cotton_book_en.pdf

- **Meeting the Challenge of Effective ACP Participation in Agricultural Trade Negotiations: the Role of Information and Communication**

  Summary report of a seminar, Brussels, Belgium, 2002, Wageningen, CTA, 2003, 82 pgs.

  This report draws on the discussions at the CTA annual seminar in 2002. It first addresses the on-going agricultural trade negotiations relating to the WTO Agreement on Agriculture and to the Economic Partnership Agreements (EPAs) under Cotonou. It then examines what interests the ACP countries should be defending and covers such topics as market access, export subsidies and production support measures.

  See also the seminar proceedings:

- **Meeting the challenge of effective ACP participation in agricultural trade negotiations: the role of ICM (CD-ROM)** *(also available in French: Pour une participation efficace des pays ACP aux négociations sur le commerce des produits agricoles : le rôle de la GIC)*

  Proceedings of a CTA seminar, Brussels, Belgium, 2002 (in French: Actes d'un séminaire du CTA, Bruxelles, Belgium, 2003)

- **Practical Guide to the WTO**

  3D in collaboration with FORUM-ASIA, 2004

  This practical guide by the NGO 3D aims to provide basic information on WTO operations and on the stakes behind certain sensitive areas of the negotiations (intellectual property and access to medicines, liberalisation and access to essential services, agriculture). Above all, it suggests concrete actions that people can undertake to ensure that the agreements respect human rights. The examples given focus primarily on Asian countries.

  Online at: www.3dthree.org/en/complement.php?IDcomplement=36

- **Special Products and the Special Safeguard Mechanism. Strategic Options for Developing Countries**

  Geneva, ICTSD, 2005, XXII-66 p., Issue Paper No. 6

  A large number of countries still depend on the export of commodities, the prices of which are highly volatile and in long-term decline. Commodity dependence, the expected erosion of preferences that some countries depend on for their export earnings, as well as increased food import prices due to the elimination of export subsidies, will make it difficult for these countries to guarantee their growing populations the food they need. In this context, safeguarding local food production capacity has become an essential component of food security strategies in numerous countries. This document presents two tools designed for developing countries negotiating at the WTO: special products and the special safeguard mechanism.

Online at:
www.agtradepolicy.org/output/ictsd/dialogues/2006-04-01/SP-SSM.pdf

- **Trading in Knowledge: Development Perspectives on TRIPS, Trade and Sustainability**

Edited by Christophe Bellmann, Graham Dutfield and Ricardo Meléndez-Ortiz, Geneva, ICTSD, distributed by: Earthscan Publications, 2003, 356 pgs.

Developing countries face huge challenges when designing and implementing policies to protect intellectual property rights. This publication sheds light on the issues at stake in the negotiations and treaties in this field.

- **A Practical Manual for Producers and Exporters from West Africa. Regulations, Standards & Certification for Agricultural Export**

Aïcha L. Coulibaly, Pascal Liu, Rome, FAO, Wageningen, CTA, 2006, 44 pgs.

This manual is designed for producers and exporters in West Africa who wish to export their agricultural products to the United States, Europe or Japan. It presents the principal standards and regulations of these countries, and voluntary certification programmes (organic farming, fair trade, food chain quality and safety, etc.) with their objectives, constraints, advantages, and the steps needed to obtain certification.

Online at: www.fao.org/docrep/009/a0587e/a0587e00.htm

- **Manuel d’élaboration des politiques agricoles : construction d’argumentaires pour l’intervention publique en Afrique de l’Ouest et du Centre**

Benoît Daviron, Benoît Faivre Dupaigre, Arlène Alpha *et al.*, Paris, GRET, “Agridoc. Dossier pédagogique” collection, 2004, 159 pgs.

The role of public intervention in the agricultural sector of developing countries has largely been re-examined over the past two decades. Despite the very middling results of experiments in market liberalisation and the withdrawal of states previously omnipresent in rural development actions, the evolution of thought on the subject has been such that public intervention, which was until recently legitimate, must now be justified on the basis of precise economic arguments.

This handbook proposes an original method of building agricultural policies based on the elaboration of arguments that legitimise public intervention. This method has the dual characteristic of using the language of economics, now dominant, and being based on a dynamic of consultation among public and private actors in the sector. Indeed, the justification will be all the more solid and convincing if it has been jointly elaborated by the various parties involved in rural development.

This work is the result of reflections initiated by the French Ministry of Foreign Affairs and conducted by the group "Pôle de formateurs africains en politique agricole".

- **Manuel de formation aux politiques agricoles en Afrique**

  Denis Herbel, Ernest Bamou, Honoré Mkouonga, Valantine Achancho, Paris, Maisonneuve & Larose, 2003, 321 pgs.

  Sub-Saharan African agriculture faces numerous challenges, including the major challenges of poverty alleviation, food security and market integration. States have largely liberalised their agricultural sectors to stimulate them, but they must also set up policies that steer the decisions of economic actors to ensure sustained, lasting and fair growth in the agricultural sector.

  This handbook provides tools to facilitate the dialogue with and consultation of all economic operators involved in negotiating an agricultural policy that acts as an incentive: it allows one to identify actors' logics, constraints, interdependencies, and conflicts of interest, etc.

- **Les économies en développement à l'heure de la régionalisation**

  Edited by Philippe Hugon, Paris, Karthala, 2003, 335 pgs.

  Developing countries have, for the most part, entered regional integration processes that range from sectoral cooperation to political unions with transfers of sovereignty. This regionalisation, which results in *de facto* economic interdependencies, takes many forms.

  This book places regionalisation in the context of globalisation, presents the principal theories on regional integration, and assesses the costs and advantages of regional agreements. It also presents the differing concepts of regionalism. It compares the various regionalisation processes underway around the world, using the ASEAN, the SADC, WAEMU, and ECOWAS as examples.

Newsletters

- **Bulletin de veille Inter-Réseaux**

  Bimonthly updates on rural development news.

  www.inter-reseaux.org/rubrique.php3?id_rubrique=3

- **Agritrade Monthly News Update**

  agritrade.cta.int/fr/back_issues/monthly_news_update/2007

- **"Commerce et investissement" Newsletter by the Espace économique francophone**

  www.espace-economique-francophone.com/actualites.htm

- **AFDI's (Agriculteurs français et développement international) "Lettre Hebdo" on the progression of international negotiations**

  www.afdi-opa.org/rubrique.php3?id_rubrique=311

- **Bridges Monthly Review**

  www.ictsd.org/monthly/index.htm

  Passerelles entre le commerce et le développement durable, the French-language regional edition of **Bridges**, is published every two months by ICTSD and ENDA Third World: www. ictsd.org/africodev/edition/passerelle/passerelle.htm

- **Spore: information for the agricultural development of ACP countries**

  CTA's bimonthly newsletter in English, French and Portuguese.

  spore.cta.int

The Technical Centre for Agricultural and Rural Cooperation (CTA) was created in 1983 in the framework of the Lomé Convention between the countries in the ACP (Africa, Caribbean, Pacific) Group and the European Union member countries. Since 2000, the CTA conducts its activities in the framework of the ACP-EC Cotonou Agreement.

The CTA's mission is to develop and provide services that improve ACP countries' access to information for agricultural and rural development, and strengthen these countries' capacity to produce, acquire, exchange and use information in this field. The CTA's programmes are designed to: provide a wide range of information products and services and promote sources of relevant information; encourage the combined use of adequate channels of communication and increase contact and information exchange, in particular between ACP actors; and improve ACP capacity to produce and manage agricultural information and implement ICM strategies, notably in connection with science and technology. The CTA's work takes into account the evolution of methodologies and crosscutting issues such as gender and social capital.

The CTA is financed by the European Union.

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Agriculture and the WTO in Africa: Understand to Act

The World Trade Organisation (WTO) defines rules on the international trade in goods and services, and these rules have consequences for national policies. An arena for decision that claims to be democratic, the WTO is an arena where countries with different socioeconomic and political weights and diverging interests confront each other. African countries have always struggled to participate fully in this organisation because they are unable to influence its decisions, running the risk of not having their concerns heard and having inadequate multilateral rules on public policy elaboration imposed upon them.

They have many obstacles before them: in addition to their under-representation at WTO headquarters because of insufficient economic and human resources, there is the multitude of WTO bodies, and the complexity of WTO rules and procedures. The choices made at the WTO are of major importance for development, in particular in the field of agriculture, an essential socioeconomic sector in Africa.

The purpose of this book is to provide guidance in understanding how the WTO institutions and agreements that impact the agricultural sector operate. Its aim is to provide those in charge of civil society organisations in sub-Saharan Africa with tools and references to better understand the stakes behind, and means for, their participation in world trade.

Organised around descriptive and factual texts, this work contains many definitions and is illustrated by concrete experiences that facilitate reading.

CTA
partageons les connaissances au profit des communautés rurales
sharing knowledge, improving rural livelihoods

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